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**Opposition Leaders on Strength, Locations of
Camps, Needs**

90SE0046A Bangkok SIAM RAT SAPDA WICHAN
in Thai 20-26 May 90 pp 17-19

[Interviews with Mo Thi Sun, Chairman of the All Burma Students' Democratic Front (ABSDF), and Thiri Nayun, the Secretary of the Committee for the All Burma Students' Democratic Front, by Udon Wonthaphim; date and place not given]

[Excerpt] [passage omitted]

**Interview with Mo Thi Sun, chairman of the All Burma
Students' Democratic Front (ABSDF):**

[Udon] Are there many students joining to struggle for democracy in the border areas?

[Mo Thi Sun] There are about 5,000. There are some who return home.

[Udon] What percentage of the students are armed?

[Mo Thi Sun] About 30 percent are armed for combat. The rest will struggle for democracy in other ways. At present the students make up one of the more effective organizations in the Democratic Alliance for Burma (DAB) because it is a group without political affiliations - as youths they have no political interests. They are politically innocent and receive humanitarian aid from abroad. This group has a good image. The government soldiers have tried to attack all the student camps in the border areas and those of the Mon, the Karen and the Khachin; only the student camps are still here.

[Udon] How many student camps are left?

[Mo Thi Sun] There are only three, and there is one temporary camp at Mae Sot.

[Udon] Where are these camps?

[Mo Thi Sun] Here at Manoepo is the main office. It has been set up for just 2 months. There are also camps at Tongki (camp 2), Thanlui (camp 9) and Santho. At the main office at Manoepo there are about 50 people who rotate with those at Mae Sot (the temporary camp). In addition there are also 2,500 students who fight with the forces of the Free Khachin, making a total of about 5,000.

[Udon] How many students have died in the struggle?

[Mo Thi Sun] There have been some but not many. Since we took up arms until the present, there have been about 20.

[Udon] Have many have died from malaria?

[Mo Thi Sun] There have been 20 this year. All are carrying malaria. It is the biggest problem now.

[Udon] How many students have received training in weapons and combat.

[Mo Thi Sun] The members of the student organization have received weapons training for combat. The weapons training is done with the assistance of the Karen and Khachin.

[Udon] Do you have your own weapons?

[Mo Thi Sun] We have an armed force of about 2,000.

[Udon] What is the status of the students in the DAB?

[Mo Thi Sun] The All Burma Students' Democratic Front (ABSDF) is a member of the Democratic Alliance (DAB) and has a role in that alliance. We are struggling for all the people of the country not just for the minorities. Our goals are very broad. We rose up to demand democracy and freedom for the minorities. We have good relations with the minorities.

[Udon] How are the channels of communication between the students on the border and those in the cities?

[Mo Thi Sun] The relations between the students in the cities and those in the countryside are very important. We need good communications; we need to get news and personal information from the cities. We have many channels of communication with the cities. We send representatives, we have radios, and we have printed material (a newsletter, DAWN).

[Udon] Do you expect protest uprisings before the election? Does the student movement have a role in this?

[Mo Thi Sun] The situation in the country now is very bad. The economic situation of the people is very bad. The military government rules the people very strictly. The villagers in the areas around Rangoon, the slum areas, are being moved outside the city by officials. We are struggling for democracy but are very poor. The government knows that before the election there will be a protest uprising and therefore it is moving the people in the slum areas outside of the capital.

[Udon] Is a high wall being built around the market also?

[Mo Thi Sun] The government is trying to move the villagers out of the capital. The villagers in these slums all work in the city. In the past we had communications with the leaders of the people in the slums, namely Fasabala and Ongsansukyi. That was before Ongsansukyi was placed under house arrest.

[Udon] I understand that Mo Thi Sun established a political party. What was your role before you came here? Did you communicate with Ongsansukyi?

[Mo Thi Sun] Before I came here I was in hiding. I registered to establish a party called the New Society Party (The New Society Party-NSP). About 20 members volunteered to be candidates, but we would like to keep the list of names secret. We have no communications with Ongsansukyi. We both know that the situation is not appropriate now for communications.

[Udon] How old are you now and where were you born?

[Mo Thi Sun] I am 27, and I was born in Rangoon.

[Udon] I would like to know about the activities of the student movement in demanding democracy in the past before they were suppressed by military force.

[Mo Thi Sun] In 1984 the students tried to set up an organization secretly and tried to organize protests, but they were not successful. So they waited until August 1988 when the leaders of the student movement were killed at a tea shop in Rangoon. There were demands that the killers be found, and leaflets were secretly handed out. I was jailed by the authorities.

[Udon] When were you captured? Were you held long?

[Mo Thi Sun] I was arrested in December 1988 and was released in April 1989. It lasted five months.

[Udon] After you were released from jail, did you join the armed resistance?

[Mo Thi Sun] Yes. We tried peaceful resistance, but it did not work. We ended up in jail.

[Udon] Were you elected to be leader of the student movement?

[Mo Thi Sun] Yes.

[Udon] I understand that before the Maetawo camp was captured by Burma, an airplane pretended to make a bombing run at Manoepo but then bombed at Maetawo. How many students were killed?

[Mo Thi Sun] Three students were killed and at least 40 to 50 Karen soldiers. About 2,000 Burmese soldiers were killed in the fighting. After the Maetawo camp was captured, we moved the main office of the All Burma Students' Democratic Front here to Manoepo.

[Udon] Have you received assistance from humanitarian organizations? Have there been occasions when aid was denied?

[Mo Thi Sun] Basically we love peace and do not want to fight. But we do not have a choice. We accept assistance from religious organizations, but we need a great deal more. We will have to be able to stand on our own. Every day there are groups which come to understand what we are doing and give assistance. We are receiving assistance constantly.

[Udon] Are you political refugees now?

[Mo Thi Sun] We do not admit to being refugees. We would like to call ourselves members of a student movement in a combat situation. We are doing what the people expect of us. If we were dealt with as immigrants, we would not have any hope of fighting, and in a civil war like this we must fight.

[Udon] I understand that the United States has approved funds to assist the Burmese student movement and is providing it through the Thai NGO.

[Mo Thi Sun] There is a former leader the Thai Student Federation who is now working for the NGO (private development organization) who is called "Saem" and who has been in touch with us to offer us this assistance.

[Udon] How much money is it? Can you reveal it?

[Mo Thi Sun] I still do not know for sure, but it will probably be about U.S.\$250,000. The NGO official, Saem, came to talk with us at the main student office here at Manoepo.

Interview with Thiri Nayun, the secretary of the Committee for the All Burma Students' Democratic Front:

[Udon] Have you been involved in the political activities of the student movement before?

[Thiri Nayun] Yes, in 1984 I was a student leader in the protests. Later I was arrested and jailed. When I was released from jail, I married and returned to political activities.

[Udon] I heard that there were students who were compelled to carry provisions and ammunition for Burmese soldiers and who were captured by Karen soldiers.

[Thiri Nayun] True. We may ask permission from the leader of the Karen National Union (KNU) to meet with them.

[Udon] What is your view of the upcoming elections?

[Thiri Nayun] We do not wish to influence the people to use force to resist the election. We want the government to organize an honest election. We want the military forces to be withdrawn from the border areas. We are fighting for freedom and democracy.

[Udon] Do the students have underground units?

[Thiri Nayun] We are setting up underground units to carry out sabotage. We have already blown up government microwave relay stations.

[Udon] In the struggle for democracy in the border areas have some students returned home?

[Thiri Nayun] Some agreed to go back legally, some left secretly, and some disappeared.

[Udon] In the past two to three months have some students been captured?

[Thiri Nayun] Students are constantly being captured. Since December 1988 until now more than 2,000 students have been captured. Of these about 500 were compelled to carry military supplies for the soldiers in the front lines. Those who tried to flee were shot and abandoned.

[Udon] It would appear that there were people carrying military supplies who were executed.

[Thiri Nayun] People have been used to carry military supplies in the front lines a great deal. People from various professions, including students, have been conscripted and compelled to do this.

[Udon] In this situation what sort of assistance do the students need most?

[Thiri Nayun] Medicine is very important. We have medical personnel, but we are short of medicine and food.

[Udon] What is your situation regarding food?

[Thiri Nayun] We get rice from the Karen National Union (KNU). We build our offices and housing ourselves.

[Udon] Where do you get your weapons and military equipment.

[Thiri Nayun] We get most of our weapons from the Karen National Union (KNU). Sometimes we capture them from the enemy.

[Udon] How certain are you that you will be victorious?

[Thiri Nayun] We are certain to be victorious. In the past two to three years more and more people have become acquainted with our organization, and assistance has come from everywhere.

STATE OF CAMBODIA

Government May Return Thai Property

90SE0049A Bangkok THAI RAT in Thai
18 May 90 pp 1, 11

[Excerpt] [passage omitted] There was a report from the Foreign Ministry that Mr. Hun Sen, the prime minister in the government of Heng Samrin in Phnom Penh who came for peace talks in Bangkok recently, met with Kasemsamoson Kasemsi (MR) [Royal Title], an Under-secretary in the Foreign Ministry. They discussed the return of property belonging to Thai people which had been left behind in Cambodia. Mr. Hun Sen agreed to turn over a house in the heart of Phnom Penh in an area called, "Tonle Sihana", the area where four rivers meet in Phnom Penh on Sihanoukville Road, to the family of Chaophraya Aphaiphuset, who was the first member of the Thai Parliament from Battambang Province. In addition Mr. Hun Sen asked Kasemsamoson Kasemsi (MR) to help coordinate the effort of finding the heirs to receive important inheritances which the government in Phnom Penh had agreed to return.

Chaophraya Aphaiphuset, who was the first MP from Battambang Province, was actually a Cambodian. He was the father of Mr. Khuang Aphaiwong, the fourth prime minister of Thailand, who has passed away. The daughter of Chaophraya Aphaiphuset, his only living child, is Mrs. Cho-on Prokmontri, 70. She is the grandmother of the television news announcer, Miss Awasada Prokmontri, who is believed to be the last heir in line to receive the house in the center of Phnom Penh which Mr. Hun Sen is to hand over.

Correspondents asked Miss Awasada Prokmontri, the news announcer on color channel 9 of O.S.M.Th., about the inheritance and she responded yesterday (17 May) that she had learned from Kasemsamoson (MR), her uncle, that Mr. Hun Sen would return family property consisting of a house currently being used as an embassy by an Eastern European country. She spoke with her grandmother, Mrs. Cho-on, about this and was assured that there really was such a house.

"My grandmother was very excited because she had actually been there before and hopes to go to Cambodia to recall the past. As for this house she told me that it was in the European style situated on many rai [a rai is about .4 of an acre] near the river. Before the war it was very pleasant there; there was a breeze from the river all day. But now she was not sure because she had not had the opportunity to see it for many decades".

Miss Awasada said in closing that if she had the opportunity she would invite her grandmother to take a trip with her to Phnom Penh but that they would have to wait for the war to end to go see how her great-grandparents' house was. As for the news that Mr. Hun Sen would return the house, she said she only half believed it.

Thai Military Support for Concert Tour Noted

42000081C Bangkok BANGKOK POST in English
25 May 90 p 1

[Excerpts] One of Thailand's famous folk-rock bands, Caravan, winged into the capital of this war-torn country yesterday for an unprecedented tour of Cambodia which includes a concert among the famous ruins of Angkor Wat.

The band and its entourage of about 39—including musicians, singers, producers of Television Channel 9's "Paruhad Sanjorn" documentary programme and reporters—arrived in a C-130 Thai Air Force Hercules.

It was the first Thai aircraft of any sort to make an official landing in this country since April 1975 when the communist Khmer Rouge seized power, ushering in a reign of terror that left hundreds of thousands of Cambodians dead.

Ministry of Culture officials and girls with garlands were on hand to welcome the band at Pochentong Airport.

Thailand has no diplomatic relations with the Vietnamese-installed Phnom Penh Government that was set up in January 1979 after Vietnam's invasion forces ousted the Khmer Rouge from power.

Prime Minister Chatchai Chunhawan's son, Kraissak, is said to have played an important role in coordinating the trip.

Mr Kraissak has been quoted as saying that making arrangements for the concert had been a logistical nightmare.

The air force plane also transported a complete set of light-and-sound systems for the concert.

The aircraft, which returned to Bangkok later in the day, is scheduled to fly to Siem Reap in northwest Cambodia on Monday to pick up the band members after their concert on Sunday at Angkor Wat. [passage omitted]

Caravan played in the port city of Koh Kong last year as well as in Vientiane in 1988.

Band leader Surachai Chanthimathorn, a native of Surin Province bordering Cambodia, says he has Khmer blood and was born in Rattanaaburi District. He also speaks some Khmer. [passage omitted]

Mr Surachai said he believes the Heng Samrin regime agrees with the aims of the concerts which are being staged for free, adding that they will play many songs reflecting on the life and suffering of the people in the region. [passage omitted]

Coca-Cola has donated 200,000 baht towards the tour, Mr Surachai said. [passage omitted]

Background to Thai Musicians' Tour

42000081A Bangkok *THE NATION* in English
1 Jun 90 p 8

[Excerpts] It is rock 'n' roll all right. But Caravan's concerts, in Phnom Penh and Siem Riep, have cemented the fragile friendship between Thailand and Cambodia. In effect, the band has broken the ice with music during what [was] supposed to be a non-political tour of the two Cambodian cities. [passage omitted]

For the citizens of Phnom Penh, the group's tour—which was initiated early this year by Prime Minister Chatchai Chunhawan's advisers and supported by the Thai Army—was a big boost. The idea was agreed upon during the Pattaya meeting between Premier Hun Sen and Deputy Prime Minister and Defence Minister Gen Chawalit Yongchaiyud.

Realizing the importance of Caravan's visit, the Phnom Penh government gave the red-carpet treatment to the Thai musicians during their five-day stay. Cambodia's Ministry of Culture set up a special committee to handle the visit of the 40-member delegation. The host treated the visit as official and assigned protocol officials to accompany the group throughout the trip. [passage omitted]

Through Caravan's performances, the Phnom Penh government sought to show its vitality and that they were in control of the country. The performance at Angkor Wat, and to a lesser degree in the capital, were cases in point.

Resistance groups have said from time to time that they would overrun Angkor Wat. News reports of attacks of this ancient city were commonplace. When Prince Norodom Sihanouk moved to residence at Phum Seriep, he told reporters that his troops would try to capture the historic monument. So far, they have all failed.

However, as a precautionary measure, the government reinforced the Angkor Wat area with troops and two tanks before the concert on Monday. About 30,000 people attended the show and appeared to enjoy it tremendously.

Caravan's concert at Angkor Wat in particular highlighted the increasingly close relationship with Thailand and the historical linkage between the Thai and Cambodian cultures. Phnom Penh has rejected similar requests from many well-known artists to perform at Angkor Wat, which is one of the world's seven man-made wonders.

Like any other non-official and non-political contacts at an adverse time between two not-so-friendly nations, Caravan's visit also marks Thailand's involvement in Cambodia—using music as a means to improve ties. The band did this once before a few years back.

Caravan, together with several other popular singers, including Suthep Wongkamhaeng, performed in Vientiane and Luang Prabang in April 1987 shortly after the end of the bloody dispute over the three villages in Uttaradit between Thailand and Laos. The enthusiasm of Laotians at these shows made leaders of both countries to realize that the friendship between the two peoples was not damaged by the border dispute.

In a similar vein, Thailand has been groping for an appropriate role inside Cambodia in non-political matters. Just a few months back, it would have been difficult to envisage Caravan's concerts in Cambodia as the ongoing international political efforts to end the Cambodia conflict were deadlocked.

Ties between Thailand and Cambodia have been mostly unofficial and strictly personal. Caravan's trip may be the beginning of these ties coming into the open and gradually transforming into more broad-based contact.

According to one of the PM's advisers, in the months to come, Thailand will play an active role in reconstruction of Cambodia. Humanitarian assistance, including Thai personnel, would be dispatched to help the war-torn country. During the Pattaya meeting, Hun Sen asked Thailand to provide educational and other forms of humanitarian aid and open up border contacts. [passage omitted]

Phnom Penh Economic Activity

42000081B Bangkok *BANGKOK POST* in English
24 May 90 p 18

[By Sue Downie: "Yuppies on the March in Phnom Penh"]

[Excerpts] It has taken 11 hard years, but Cambodia is now able to grow enough rice to feed its eight million people, the economy is booming—although still very fragile—and Phnom Penh has developed a wealthy streak.

Private enterprise has always existed, on a relatively small scale, but was not sanctioned by the communist government until last year. [passage omitted]

Although the profits are filtering down through the community, it is generally only the traders who are doing well—Phnom Penh still has hundreds of thousands of people living in sub-standard conditions.

And as one Cambodian reminded this writer, "Cambodia is not Phnom Penh—out in the country, it is a very different story." [passage omitted]

This recent and obvious consumerism is only the facade. Underneath, the economy is being squeezed by the war—30 percent of the country's budget goes on the war—and talk of the war is never far away.

People still fear the return of the Khmer Rouge. They know their sons and brothers may be taken to join the

Army at any time. They see amputees and occasionally hear explosions. And the 9 p.m. curfew is a daily reminder of the war.

Said one long-term Western resident: "If you come to Phnom Penh on a visit and you're not here the night a few plastics go off; you wouldn't know there is a war going on.

"But there is plenty of evidence: the high rate of inflation; you hear MiGs taking off from the airport; in the countryside, you don't see many men," she said.

"If you work here and talk to people, you know there is a war going on. People are afraid of recruitment, that their children will be sent to the war. There's a curfew. There are fuel shortages. Budgets are being cut." [passage omitted]

Cambodian traders are busy importing goods—by the ship-load. The most noticeable arrivals are cars and motorbikes. Phnom Penh is the staging post in what some people have dubbed the "Hun Sen trail."

To avoid tax and trade restrictions with Vietnam, vehicles from Singapore are being sent to Vietnam and China via Cambodia.

They are shipped up the Mekong River to Phnom Penh, then taken by truck to Ho Chi Minh where some are sold—for more than double the price in Phnom Penh. A larger proportion are sent on, by train, to Hanoi, then to China.

While transitting in Phnom Penh, many of the cars are driven around the city, adding to the impression of prosperity.

The capital has also developed a capitalist rental market, aimed initially at the international community which is made up of mainly Western aid workers and socialist-bloc diplomatic staff.

Under the new constitution, proclaimed on May 1, 1989, Cambodians automatically owned, or had the right to buy for a nominal fee, the house they lived in.

Some of these with large houses—seeing flashing dollar signs—made them available to foreigners, while they crammed their families into less palatial dwellings or used the rental advance to build a smaller house at the rear.

And as the Vietnamese advisers progressively returned to Hanoi last year, ahead of the final troop withdrawal last September, they left behind dozens of large villas which the government allocated to senior officials.

In the new spirit of capitalism, many immediately became landlords and rented to foreigners their new homes—gifts from the communist government.

The first of the agencies to move was JANGOO (the Joint Australian NGO Office) which now rents a double-storey villa from Hun Sen's sister, opposite the Prime Minister's residence on wide Sivutha Boulevard, for \$3,500 a month.

Smaller, more humble abodes, acquired later, cost as little as \$500 a month. Prices have moved up or down depending on demand and the political tide—a free market at work.

"The prices came down after the Paris peace talks failed in August. The owners of this house were asking \$1,500 earlier in the year, and now we pay \$500," said one couple who have a two-bedroom house with a three-bedroom bungalow attached.

Controversy Ensues Over Leaked Petition

90SE0047A Jakarta EDITOR in Indonesian 29 May 90
pp 17-21

[Article by Farid Gaban: "An Agreement for Thwarting a Conspiracy"]

[Text] Lukman Harun feels he is unlucky. He did not expect the secret would leak out. "Unfortunately, the records were publicized; it couldn't be prevented any longer," a spokesman for the Muhammadiyah Central Executive Council [PP] said last week. The file, as it turned out, produced a lengthy controversy and strongly colors the debate that rolls on these days about an agreement.

Lukman is not alone. There are 20 other Muslim figures who are concerned. With Lukman, they signed a petition "supporting President Suharto's completion of his term of office ending in March 1993" and "asking that Bapak [Father] Suharto be willing to continue in his position as MPR [People's Consultative Council] mandataray for the 1993-98 term." That kind of support is only fitting.

However, the petition, which was signed on 30 September 1989, "actually was not intended for publication but was merely for retention," according to H. Prodjokusumo, first chairman of the MUI [Indonesian Muslim Scholars Council], one of the other signers. "We agreed to store it at a bank," said Anwar Nuris, secretary-general of the PBNU [Central Executive Council of the Muslim Scholars Association].

The signers acknowledged that the contents of the statement were theirs. "We made the proposal sincerely," declared K.H. Ali Yafie, deputy chairman of the MUI and deputy chairman of the PBNU Consultative Council. "For us, Muslim scholars, there was no reason not to support Pak Harto [President Suharto]," said Prodjokusumo. "Picture how close Pak Harto's relationship is with Muslim scholars," he added.

"Furthermore, we don't yet see anyone who can replace him as far as performance is concerned," added Ali Yafie. This is especially true, according to Yafie, when one considers Pak Harto's initiative against the G-30-S/PKI [30 September Movement/Indonesian Communist Party]. "And since the beginning of the New Order," added Lukman, "national stability has been assured, the economy is stable; and as Muslims we are pleased because he made a way for the Religious Judiciary Bill."

The signers generally do not see the statement as a declaration of unanimity, however. "It was merely a proposal agreed on together," Lukman said. "There was no plan, or anything like that. It was not a statement of unanimity, but rather an appeal to Pak Harto," Prodjokusumo asserted. Yafie's argument was similar: "It was different from a statement of unanimity, which, based on past experience, is usually contrived or engineered."

Whether engineered or not, the leak of the "Petition of 21" has produced controversy, primarily because the statement was disclosed precisely at the time the issue of unanimity is being discussed vigorously in some newspapers. The commotion over the issue is chiefly because of the change of position made by two elements of dominant political forces in the country.

GOLKAR [Functional Group] Secretary-General Rachmat Witoelâr recently stated that GOLKAR is not going to issue a statement of unanimity. Military circles said likewise. "What is a statement of unanimity for? Isn't there a system? All has been provided for in the Constitution. There should be no ideas outside of that," PANGAB [Armed Forces Commander] General Try Sutrisno told EDITOR last week in Surabaya.

The second aspect of the controversy is whether or not the signers consulted their respective organizations. Abdurrachman Wahid, chairman of the PBNU Consultative Council, said he knew nothing about it. "A statement of unanimity is not an NU [Muslim Scholars Association] matter, but a personal affair," Gus Dur [Abdurrachman Wahid] said in response to a barrage of questions about the petition during a dialogue with East Java NU members last week.

K.H.A.R. Fachrudin, chairman of the Muhammadiyah PP, said a similar thing. "I don't know anything about it," he told EDITOR in Yogyakarta. Like Gus Dur, Pak A.R.—Fachrudin's nickname—is not going to make a statement of unanimity. "As for me, I choose the existing procedure: via the DPR [Parliament] and the MPR. And Pak Harto, I think, wants the same thing," he added. What if they say they are speaking on behalf of the Muslim community? "That's up to them. I don't know whether they asked the permission of the Muslim community or not," he said.

K.H. Abdul Latief Muchtar, general chairman of the Islamic Association (PERSIS), also hopes the petition will not be seen as representing the Islamic community, for no one from his organization signed it. "In my opinion, its origin was personal, not organizational," he told EDITOR in Bandung.

Latief deplored the petition, however. "In this unanimity climate, it is as though what is arranged by the MPR isn't enough. It is the MPR, however, that determines the 'rules of the game,'" he asserted. For Latief, the Islamic community must endeavor to see that its political role is projected through a comprehensive understanding of democracy. Such statements of unanimity, said Latief, are merely political moves.

The issue: All of the figures who signed the petition wrote their positions under their names and signatures. Prodjokusumo, for example, wrote "SEKJEN [Secretary-General] MUI" under his name. K.H. Masykur also put his title: "NU Mustashar [advisor]." Also, under the name of Husein Kartasasmita (father of Minister of Mining and Energy Ginandjar Kartasasmita) is written:

"Muslim Association." The only one who did not refer to the name of an organization was Prof. H.A. Timur Djaelani.

Whether a position is mentioned or not, many people tend to view their action as speaking unanimously for the majority of Muslims in this country. The petition was entitled: "Joint Position of the Indonesian Islamic Community." "Even if they were speaking for themselves, the people generally know that this one is from the NU, that one from Muhammadiyah, and so on," said Dr. Ahmad Syafii Maarif, a director of the Muhammadiyah PP.

Unfortunately, Syafii's displeasure comes too late. It was not the intention of Lukman Harun and his colleagues to displease anyone, however. Moreover, if the petition had been disclosed at a time agreed upon by all, the issue might have been quite different. The question is, why was it leaked? And, more important, what was the motive behind making the petition a secret?

The petition was signed at the end of last September. Former Minister of Religion H. Alamsyah Ratu Perwiranegara was the one who initiated the statement. He is known to be close to Pak Harto. He was his coordinator/personal assistant when Suharto was acting president. He also served as minister/state secretary at the beginning of the New Order, and after leaving that post he still often called at the president's home on Cendana Street, Jakarta.

Alamsyah was also friendly with Islamic circles, thanks to which he was able in 1978, when he was minister of religion, to persuade Islamic mass organizations to accept the Religious Sect Decision and Pancasila as Sole Basis. "I don't support Pak Harto simply because I am well acquainted with him," Alamsyah told EDITOR. "I want to protect the future of the Indonesian people and state," said the (now) general chairman of the Board of Directors of Mathla'ul Anwar, an Islamic mass organization active in the social and educational sector. "That statement was my statement as a citizen."

At the end of last September, Alamsyah invited several Muslim figures to meet. "They always came to me for consultation," he said. "I was glad that people still wanted to be in touch with me and that when they were contacted they came right away," he added. After a process, the "Petition of 21" came into being.

At about that time, much of the mass media and many seminars were discussing openness and the succession issue. The discussions rolled on until Pak Harto's departure for the Soviet Union on 6 September 1989. On returning from his trip, the president issued a strong statement: He would "clobber" anyone, whether a general or anyone else, who acts unconstitutionally. Alamsyah took action. "I was disturbed because no one from the political parties, from GOLKAR, or from ABRI [Indonesian Armed Forces], responded to Pak Harto's statement," he said.

Conspiracy

None of the signers felt "engineered." "We had the same view, namely that there was something behind that strong statement," Ali Yafie said. The Muslim scholars apparently tended to accept the statement as an indication of a conspiracy. "It was a serious statement, and we felt that black clouds were hanging over Indonesia," Prodjokusumo said.

"We saw that we had to react by giving him full support," said Yafie. "In a constitutional state like Indonesia, where leadership changes are arranged by the Constitution, a seizure of control is not possible," Prodjokusumo said. "Because of the clouds, however, the Muslim scholars had to prepare an umbrella," he added. From another aspect, the scholars were also agreeing that there was no one in sight who could replace Pak Harto.

Why was the umbrella stored away, however? The petition, said Nuris, was in fact addressed to President Suharto personally. "The purpose of it was to give him moral strength for performing his duty," he said. With the concurrence of the signers, Alamsyah presented a copy of the petition to the president on 10 October 1989. Alamsyah acknowledged that he filed five copies and one original as records. The five copies originally were intended for presentation to the DPR/MPR speaker and the heads of the four MPR factions prior to the 1993 General Assembly.

This secrecy aspect is what distinguishes this petition from the unanimous statements of the past. When the secrecy was ripped away, however, no one saw any difference; people considered the petition to be a political instrument, too.

Status Quo

"That was not a very smart procedure," Syafii Maarif asserted. "It's not clear that Pak Harto himself liked being treated that way." From another aspect, he said, the scholars didn't understand the fed-up feeling toward politics that exists among intellectuals and young people. "The statement of unanimity further strengthened the political status quo, which offers little hope to the next generation," he said. That, he said, had a big influence on members of the Indonesian community, most of whom are Muslims. "It was the same as letting the nation be chained to an oppressive culture because no alternative has emerged," he added further.

A foremost Muslim figure, who was mistakenly reported to have signed the petition, put forth another criticism. He told EDITOR: "As citizens, they had the right to do what they did, but I personally deplore their doing it in the name of the Islamic community." A leader, he said, is not free to act in his own name, especially on a sensitive issue like national leadership.

The nomination of leaders is indeed a sensitive and important matter: important because it involves the nation's future; sensitive because it can trigger unrest, confusion, and division among the people. Intentionally causing unrest among the people, he said, is a crude political tactic—it means "anything can be done."

Governors May Make Presidential Nominations

90SE0047B Jakarta EDITOR in Indonesian 29 May 90
p 15

[Article by Achmad Zihni Rivai: "He Is Elected by the People"]

[Text] Governors may present statements of unanimity. This new and rather surprising statement came from Minister of Home Affairs Rudini. It is surprising because, up to now, declarations of unanimity have come only from political or mass organizations. It is surprising, too, because of a governor's status as a member of the government.

Various reactions are emerging. One comes from Prof. Dr. Sri Soemantri Martosoewignyo, professor of governmental law at Padjadjaran University, Bandung. He said, as quoted by KOMPAS, that statements of unanimity should come via political organizations. It is this infrastructure which, through parliamentary factions, has the liberty to decide on candidates for president and vice president. Besides not being conducive to the development of a democratic climate, declarations of unanimity via governors are viewed as producing public distrust in the political infrastructure.

Indeed, permitting a governor to present a statement of unanimity does not violate the law. A statement of unanimity is a political matter, regardless, said Dr. Nazaruddin Sjamsudin, lecturer at the FISIP-UI [Sociology and Political Science Faculty of the University of Indonesia]. "Politics is the art of using opportunities. If there is an opportunity, why not use it?" he added.

Nazaruddin also sees a bad side to it, one that is related to the "imitative culture" of the people. "The people say 'A' because one province says 'A.' Just wait and see. If one province starts, others are sure to follow," he said. This clearly will destroy the function of the MPR [People's Consultative Council]. "It is true that the voices of the people are input only through the Regional Delegates Faction, whereas there are five factions in the MPR. The question is, can the other factions have a different voice?"

What is Minister Rudini's comment? "If anyone wants to respond to a statement, I suggest that he ask the one who made the statement about what he meant. The reporting of a statement may not necessarily correspond precisely to what was intended. There are differences in choices of words. For example, 'present a statement,' 'utter a statement,' and 'make a statement' are all different," Rudini replied. Why did he abruptly issue such a statement, however? This was the explanation he gave to EDITOR:

When I happened to be asked by a reporter, "Can a governor present a statement of unanimity," I answered, "Yes." My reason was: Besides being head of a province, a governor is elected by the people. Now, as a person elected by the people, why can't he present the aspirations of the people if they say to him, "We want 'A' to be president?"

There are experts who say this is the right of the sociopolitical forces alone. That isn't so, of course, because the governor is elected by the people. That doesn't mean he can "make" a statement of unanimity, however. That would be wrong. The governor merely receives the statement, and then presents it to his faction in the MPR as input. Is not the governor also an ex officio member of the MPR and the Regional Delegates Faction?

Law 8 of 1985 on Mass Organizations clearly declares that one of the functions of mass organizations is to serve as a vehicle of reciprocal communication among the organizations themselves and between the organizations and the sociopolitical forces, the government, and the DPR [Parliament]. Now, the governor, as an element of government in the province, can communicate with mass organizations. This means that the presentation of the people's aspirations is not a mass organization monopoly at all. Unanimity is also an aspiration, isn't it?

Law 3 on Political Parties and GOLKAR [Functional Group] declares that one of the functions of the political force organizations is to serve as a channel for the aspirations of the people. This is accomplished through Pancasila democracy mechanisms, namely the people's representational consultative institutions (legislative) and the formal political institutions (executive).

Thus, a governor may accept expressions of aspirations from groups in the community or from mass organizations for subsequent presentation to the MPR. For example, a group may suggest Mr. A; another may unanimously want Mr. B. It is up to the governor, then, merely to present these views. It would be quite different if the governor should, for example, call the people together and say, "On your behalf, I select Mr. A." That is prohibited.

It is permissible for the governor to make a statement in his own name. That is his personal right as a citizen. But he must state clearly, "As a citizen, I support Mr. A." The same is true of the support declared by the 21 Muslim scholars. They made a statement in their own names.

Moreover, if the governors of the 27 provinces should present the aspirations and interests of their people, I don't think we need to worry that their doing so will destroy alternatives or expressions of opinion and hence the practice of democracy.

In my opinion, the practice of expressing unanimity is not a violation of democracy. What is undemocratic about it? The governor comes from the people. I feel there would be no negative impact, as long as the aspirations he expresses are truly from the people and are not contrived by some group and then signed in the name of the people.

Bangkok Embassy Changes, Ministry Career Prospects

90SE0050A Bangkok KHAO PHISSET in Thai
30 Apr 90-8 May 90 pp 12, 13

[Text] A New Day, A New Future

An ambassador for the LPDR [Lao People's Democratic Republic] is coming. It will be the beginning of a new life for the new Lao ambassador to Bangkok.

When KHAO PHISSET swooped down on the new Lao ambassador last week it did not faze him. He is "Bounkeut Sangsomsouk," 41. He is smart and so handsome that some Thai lady correspondents squealed softly when they first met him in Vientiane. What is more important is that Ambassador Bounkeut has extensive diplomatic experience.

Last time there was a small mistake when our source switched "Department Two" for "international department." He said that the mistake had been corrected. He said it was not an embarrassment but he would like to apologize here to our readers.

Mr. Bounkeut was formerly the head of an international department (a department in an international organization) for a short while, perhaps half a year, after he returned from the United States three years ago. He had spent more than five years as the charge d'affaires in Washington D.C. which was the number one position there.

Since then he was appointed the head of Department Two, which was one of two political departments in the Lao Foreign Ministry. This department was responsible for relations with capitalist countries, and Thailand was assigned to him with the other capitalist countries in Asia.

Because of this experience the resume' of the new Lao Ambassador is not unlike that of the present ambassador who is returning home.

Consequently the party to celebrate the Lao New Year on 13 April this year was especially lively at the embassy on South Sathon Street. Some officials said that 600 guests had been invited but that in fact there appeared to be several hundred more, including the entire diplomatic corps from friendly countries, officials from international organizations, wealthy merchants, "Et Kharabao" and his friends and "Surachai Samcha" or "Nga Kharawan", the old boss and hordes of Lao and Thai people.

Many people brought their whole families as if they knew that this was not only a "new year's party" but was also a farewell party for Ambassador Khamphan Simmalavong.

"I will probably miss Thailand a great deal," the host said to a correspondent sorrowfully, and he hinted that

the time for his departure was drawing near and he was just waiting for his audience with the King so that he could bid farewell.

For the past 12 years Ambassador Khamphan has spent most of his time in this country. And in addition now that he is returning to work in Vientiane, he has an opportunity to visit the first family. Consequently the ambassador is another Lao who knows Thailand and the Thai people very well.

The life and work of this ambassador were preoccupied with economic matters and trade. He was the head (director-general) of the Department of Economics after the Pathet Lao liberated Vientiane in 1975. In 1977 he became a trade advisor to the embassy in Bangkok. And in August 1980 he was appointed to be number one until the present.

The path of Ambassador Khamphan appears to be similar to that of the ambassador who preceded him....

After he returned from Bangkok in 1980, Mr. Vanthong Sengmeuang received a position in the Ministry of Trade. When the LPRP [Lao People's Revolutionary Party] held its congress in 1982, Mr. Vanthong was elected to be a member of the Party Central Committee. At the end of the same year there was a big shake-up in the Council of Ministers, and he soared upward again to become the head of that important ministry.

However health problems forced the former Lao Ambassador to Bangkok to give up his membership in the Party Central Committee at the Party Congress at the end of 1986. There was another big change in the Council of Ministers in 1988, and the Ministry of Trade grew to become the "Ministry of Trade and Foreign Economic Relations" (this could be called "Foreign Economic Relations" as in the Thai). The new minister became Mr. Phao Bounnphon, another member of the Party Central Committee. Mr. Vanthong became deputy minister.

Life in politics is constantly changing. There was another change in the Council of Ministers at the end of January 1990. Mr. Vanthong received a new position with new responsibilities as a minister in the office of the Prime Minister. Now if he is not yet 60, he can probably make it.

As for our present ambassador, Khamphan, he will do well as deputy minister in the "Ministry of Trade" which has just been separated off and given its old name back. But this time its area of responsibility is broader and covers domestic trade and foreign trade. Deputy Minister Khamphan will assume his responsibilities later. Mr. Khamphoui Keoboulapha, the provincial party secretary and chairman of the administrative committee of Saravane Province in the South, has been brought to Vientiane to head this new ministry.

However Mr. Khamphan's experience has been more extensive than this....

Those who have talked with "Mr. Ambassador" have heard an accent which was a little different. Some people said that if you listened to it, it was very beautiful. It was

the accent of the Lao ethnic group, the Thai Phouan. The ambassador was born in Xieng Khouang Province in the North. This is the area of the famous Plain of Jars and was also a stronghold of the Lao revolution.

It is not certain when Ambassador Khamphan joined the revolution. But it is certain that he was a member of the council of advisors to the united government in 1973. This was the third united government, which was the final stage of "the Laos of three factions" - the rightists, the leftists and the neutralists. After liberation Mr. Khamphan was the director of Trade Department until he came to Bangkok and advanced.

A period of 12 years is not a short term for an ambassador, especially considering the past 10 years. Relations between these two fraternal countries on the banks of the Mekong have not been smooth. They have been very rough because of the ups and downs. It is certain that Ambassador Khamphan is very tired and worn out. When his responsibilities for peace end today, he can breath a sigh of relief.

The elite in this country still speak disparagingly of him as "that damned ambassador".

It is certain that Ambassador Khamphan "will probably miss Thailand a great deal" after he returns home.

Even though he is returning with a high rank, it makes no difference.

Thai Economic Advisor's Plans Noted

42000083A Bangkok THE NATION in English
31 May 90 p 4

[First paragraph THE NATION comment]

[Excerpt] Dr Virabongsa Ramangkura will also try to evaluate the feasibility of achieving the macroeconomic objectives of the five-year plan drawn up by the Laotian government.

He will probably be the first Thai economist to be advising neighbouring Laos on its five-year economic plan. But Dr Virabongsa Ramangkura is humble about the unique mission. "I think I will learn more from the Lao policy planners than I can advise [them]," he says.

The respected adviser to former Premier Prem Tinsulanonda, Virabongsa is still consulted by advisers to the Chatchai administration on certain crucial economic issues. He also sits on the Board of Investment and was recently invited by the prime minister to attend meetings of his Economic Ministers.

Virabongsa will cross the Mekong River on June 19 to undertake the new assignment under the auspices of the Asian Development Bank (ADB). His official title is "Senior Planner/Policy Adviser." The economist says he will try to "learn and work together with" Lao officials rather than "teach" them on how to go about plotting the third five-year plan.

"It's a great honour for me to work with senior Lao officials in the Ministry of Economic, Planning and Finance, as they call the agency, I will be working with. It will also be a great opportunity for me to learn from our neighbouring country," he told THE NATION in an interview yesterday.

Virabongsa will be in Vientiane for two and a half months as part of the ADB's technical assistance to landlocked Laos. He is assuming the new role in a private capacity although he did consult and receive the blessings from Dr Phaichitr Uathavikul, president of Thailand Development Research Institute (TDRI), where Virabongsa is serving as a consultant.

Virabongsa will quit as a faculty member of Chulalongkorn University's Economics Faculty to rejoin TDRI as full-time director of the macro-economics programme after he returns from his Laotian mission.

"One of my assignments will be to draw together the findings of the recent and ongoing sector and other policy studies including the proposed UNDP/World Bank assistance in developing a public investment plan, into a consistent macroeconomic framework and identify major macroeconomic, policy and institutional inconsistencies and constraints," he explains.

He will also try to evaluate the feasibility of achieving the macroeconomic objectives of the five-year plan drawn up by the Laotian government.

"I am supposed to look at the structure of the economy and resource constraints, both domestic and external, so that I can also identify resource constraints and recommend proper measures to ease them," he says.

The macroeconomics expert will also try to pinpoint inconsistencies in the policy framework and the proposed investment priorities.

The biggest challenge is probably the assignment to identify the relationships between policy reforms in fiscal, trade, monetary and financial areas, among others, and the actual achievement of the targets set in the five-year plan for Laos.

Virabongsa will also attempt to study policy recommendations by the International Monetary Fund (IMF), the World Bank and other international agencies to determine their implications in the implementation of Laos' five-year plan.

The basic task will be to help Lao policy planners to draw up the broad macroeconomic framework for the five-year plan, trying to set the objectives, priorities and strategies.

"In carrying out this assignment, I must detach myself completely from being a Thai. I will have to assume the role of an independent economist, thinking as a Lao planner to make sure that my recommendations will benefit Laos the most," he says.

Another challenging assignment is for Virabongsa to conduct seminars on the [passage omitted]

Groups Continue Discussion on Cigarette Issue**Paper Wants Strong Stance With U.S.***90SE0048A Bangkok SIAM RAT in Thai 6 Apr 90 p 8***[Editorial: "The Way To Solve the Cigarette Problem"]**

[Text] International anti-cigarette groups concluded a conference on the cigarette and health problem, which was held in Perth, Australia, on 5 April. This conference was attended by approximately 1,000 representatives from 70 countries. Those at the conference agreed to submit an appeal at the GATT conference to seek help in preventing cigarette producers from various countries from carrying on cigarette production and business activities in Thailand.

The submission of this appeal supports the Thai government in its struggle against the pressure being exerted by the United States, which wants to establish a market for American cigarettes in Thailand. The United States has charged that Thailand is not treating the United States fairly on the trade front, because it has a trade deficit with Thailand. Thus, as the voice of the Thai people, we thank those attending this conference for their support.

Concerning this, we feel that if Thailand caves in to the threats of the United States, which wants to retaliate against us on the trade front, that will set a bad example. And it might harm other third-world countries that are targets of American cigarette companies, which want to establish cigarette markets in those countries, too, in order to help compensate for the drop in cigarette sales in the United States and Europe. Today, people throughout the world and even in the United States, such as the American Cancer Association, feel that cigarettes pose a great danger to people's health. Tobacco can cause several diseases, and so steps should be taken to ensure that the peoples of the world do not become victims of tobacco.

From the economic standpoint, we realize that there are several countries, including Thailand, that must rely on tobacco, or cigarettes, to earn revenues for the countries. Or stated another way, there are farmers or industrialists who make their living from cigarettes. But from the health standpoint, we feel that it is now necessary for the world to gradually reduce cigarette production. This is because cigarettes pose a great danger. The world must make an effort on this front just as it is trying to do in the case of narcotics such as opium and cocaine, which affect people's health much quicker.

The amount of tobacco that is grown should gradually be reduced by planting substitute crops. The United States, which is a major tobacco producer, must set an example in this.

Perhaps this method would help end the trade conflicts between the United States and other countries without the United States having to exert pressure on others, which just generates enmity.

Meeting Supports Anti-U.S. Stance*90SE0048B Bangkok BAN MUANG in Thai 8 Apr 90 pp 1, 19*

[Text] Mr. Suthat Ngoenmun, the deputy minister of public health, Dr. Hathai Chitanon, the deputy under secretary of public health, Dr. Chuchai Suphawong, the secretary general of the Medical Council, and Mr. Surin Phitsuwat, an MP from Nakhon Sithammarat Province, issued a joint statement on the outcome of the Seventh Cigarette and Health Conference held in Perth, Australia, during the period 1-5 April 1990.

The conference passed a clear resolution on Thailand's case. Those at the conference agreed that the United States should not use cigarettes in trade negotiations. The conference called on the U.S. government to stop trying to force Thailand and other countries to open their markets to American cigarettes. It was also agreed to submit a resolution to GATT and to President George Bush stating that cigarettes cause death. Countries have the right to prohibit the import of such items, to erect trade barriers against such items, and to control sales and advertising.

Mr. Suthat said that he had the honor of speaking at the conference and addressing more than 100 [as published] representatives from more than 70 countries. He pointed out that Thailand is making a resolute effort to cooperate with other countries in suppressing narcotics for the sake of people's health. Thus, it is hoped that other countries will help Thailand in the present case in the interests of the health of the Thai people. At the meeting, he stressed that if Thailand loses this battle, this will affect other countries, which may be forced to open their markets to cigarettes, too.

Dr. Hathai Chitanon said that at the conference, the various countries expressed great interest in Thailand's case. Important figures in the world praised Thailand during their remarks at both the start and the end of the conference. During the closing ceremonies, Deputy Prime Minister Helen Clark praised Thailand and said that she was ready to help Thailand. Dr. Naka Jima, the secretary general of the World Health Organization, said that the World Health Organization is prepared to support Thailand in every way possible in the face of U.S. pressure. He said that the Thai government must take resolute steps to control tobacco consumption within the country. Besides that, Dr. Seffrin, the president of the American Association, said that the fact that the Office of the U.S. Trade Representative has submitted this matter to GATT represents an important victory for Thailand. He called on public and private health organizations throughout the world to support Thailand. Dr. Seffrin will fly to Bangkok to issue a statement there on 9 April 1990. He wants to inform the world that the American people do not support the things that the U.S. government is doing to Thailand, which will only tarnish the image of the United States. On the final day of the conference, Dr. James Mason, the U.S. deputy secretary

of health, said that the pressure being exerted on Thailand by the United States is immoral.

Besides this, the Asia-Pacific Association for the Control of Tobacco Consumption, which is composed of members from nine countries, praised and gave an award to Dr. Prakrit Wathisathokkit for his selfless struggle to prevent American cigarettes from being brought into Thailand. After that, the association and Dr. Prakrit issued a joint statement opposing the import of American cigarettes. The statement was published in Australian newspapers and on the radio.

Health Official, MP Surin Comments

90SE0048C Bangkok THAI RAT in Thai
8 Apr 90 pp 1, 17

[Excerpts] [passage omitted] Dr. Hathai Chitanon, the deputy under secretary of public health, said that the conference issued a resolution stating that cigarettes are goods of death. Countries have the right to forbid their import, to erect trade barriers, and to prohibit advertising. The conference will submit this resolution to President George Bush and to the president of GATT in order to inform them of the effects that the cigarette trade will have on people, particularly women and children of third-world countries. On this issue, Thailand has the support of American health groups, cabinet secretaries, and senators. They do not agree with the steps being taken by the U.S. government and feel that this is immoral. [passage omitted]

Mr. Surin Phitsuwan, a Democrat Party MP from Nakhon Sithammarat Province who attended this conference, said that he told the conference that the Thai government may give in to the United States and allow cigarettes to be imported into Thailand. The conference wants to support Thailand. And if Thailand gives in, it will be useless to fight the cigarette companies. Today, there are arguments about this within the United States, because approximately 390,000 Americans are dying each year from cigarettes. And so why should they export cigarettes and kill other people in the world? [passage omitted]

Editorial Criticizes Israel on Mideast

42000082C Bangkok BANGKOK POST in English
1 Jun 90 p 6

[Editorial: "Migrants Fuel the Flames in Mideast"]

[Excerpts] Mass emigration of Soviet Jews to Israel threatens to scuttle slim hopes for peace between that country's Jewish and Palestinian populations. [passage omitted]

The migration, expected this year to total about 150,000, comes at an embarrassing time for the United States, which last October decided to set an official ceiling of 50,000 on the number of Soviet migrants it would allow in each year.

The U.S., while critical of Israeli policies on the occupied lands, has tried to keep on-side with Israel by joining that country's opposition to a United Nations' role in the territories to safeguard Palestinian rights. It has, however, refused a \$400-million request from Israel to help resettle migrants unless there are guarantees the money won't fund settlements on occupied Arab lands.

Israel denies Arab lands are earmarked for new settlers but, ominously, caretaker Prime Minister Yitzhak Shamir wants the Israeli Treasury to provide more than \$17 million for roads and settlements in these lands. The occupied lands are home to 1.75 million Palestinians and, already, 70,000 Jewish settlers. [passage omitted]

Sadly, those now dominating Israeli politics—the Likud bloc dependent on religious fanatics for support—seem determined to press ahead ruthlessly with their policy of crushing Palestinian rights in the occupied territories, attempting to brand all who oppose them as anti-Semites or terrorists. This policy has already resulted in the deaths of more than 600 Palestinians since their latest uprising began almost 30 months ago, with more than 150 of the dead being children and a further 63,000 children being wounded, according to the Swedish agency Save the Children. Terrorists indeed. Jews have also died in enforcing Israeli policies or in reprisal attacks.

The solution to the problem rests with Israel, whose leaders and those who vote for them need to recognise—religious beliefs aside—that Palestinians do have rights. Soviet Jews, who frequently claim they were persecuted in the Soviet Union, should surely be among the first to acknowledge rights for others.

Continued Israeli intransigence on this issue is eroding what remains of international sympathy for that country and puts it at risk of being branded as intolerant and brutal by some of its fiercest opponents.

Subin Under Pressure on Rice Price Issue

42000082A Bangkok THE NATION in English
29 May 90 p 16

[Excerpt] Commerce Minister Subin Pinkhayan is under growing pressure from farmers, millers and exporters to shore up domestic rice prices. In addition, the opposition has him in its sights for the House no-confidence debate.

At stake are Subin's ministerial post and the credibility of his Social Action Party.

Paddy prices have slumped from their highs of around Bt5,000 per tonne last year—when the country exported a record six million tonnes—to their current levels of around Bt3,200 per tonne.

Meantime, the 8-member panel of the National Rice Policy Committee, chaired by Deputy Prime Minister Pong Sarasin, yesterday met to discuss options for the

ministry to sell some of the 670,000 tonnes of rice it has in stock, largely comprising 25 per cent low-grade rice.

The sustained decline in prices has tested the patience of farmers. Many have pledged their farm output to the Bank for Agriculture and Agricultural Cooperatives in return for low-interest credit to avoid being caught without cash in the event that prices decline further.

Recently, the Cabinet agreed to allocate an additional Bt500 million to the bank to enable it to continue its loan programme. As a result, some have touted the ministry's successful campaign to halt big lot sales. But industry observers say prices are unlikely to rebound. [passage omitted]

Government Fails To Negotiate Foreign Rice Sales

42000082B Bangkok *THE NATION* in English
29 May 90 p 1

[Text] The National Rice Policy Committee, chaired by Deputy Prime Minister Pong Sarasin, authorized the Commerce Ministry yesterday to sell 670,000 tonnes of government rice stocks to private overseas buyers, signifying the government's inability to secure government-to-government rice deals.

It was the first time that the government had allowed sale of its rice supplies to private overseas clients.

The response to the move was mixed. The Thai Rice Mills Association voiced strong support for the decision, saying that the storage capacities at exporters' warehouses was being utilized almost to the limit of 1.4 million tonnes.

The total stock on hand for the government and exporters amounts to 1.1 million tonnes. The offer will stimulate demand and boost the price locally.

Critics felt the term "foreign buyer" was too vague and said it could allow Thai exporters who have close connections with foreign brokers to strike deals on local exporters' behalf.

Commerce Minister Subin Pinkhayan told reporters after the meeting yesterday afternoon that the 8-member panel of the national rice committee had agreed to authorize the Commerce Ministry to handle sales of the government rice stocks. He expected that the 670,000 tonnes would be sold gradually.

The first lots, he forecast, would comprise mainly 15 per cent medium-grade white rice and 10 per cent parboiled rice. However, the qualities of each shipment have yet to be determined by commerce officials who will meet to formulate details of the sales after receiving Cabinet approval today.

Cabinet permission is necessary because the sales will be made at a loss.

Subin argued that the rice supplies were bought at the beginning of the year, when the government intervention price for paddy stood at Bt3,800 per tonne. Now that the average price has dipped to Bt3,200 per tonne, the government will inevitably be forced to sell at a loss.

The minister said that he was ready to explain the decision to the Cabinet, which he felt was necessary to bolster the price of rice on the domestic market. Subin will propose to the Cabinet today that the Budget Bureau allocate money to compensate for the ministry's losses.

The Commerce Ministry, Subin said, may call bidding to sell off the government stocks to potential foreign buyers. Details will be formulated by commerce officials later on.

Foreign buyers were singled out as eligible to buy the stocks because the government wants to move the rice out of the domestic market to stimulate the local price of the crop, Subin said.

Subin expected that the second crop which is coming into the market should be priced in the range of Bt3,500 per tonne of paddy.

Meanwhile, Suvit Khunkitti, Solidarity MP for Khon Kaen, said he filed a letter requesting the National Rice Policy Committee to boost the price of the second crop to Bt3,500 per tonne and asked the Bank for Agriculture and Agricultural Cooperatives to reduce interest rates to not more [than] 3 per cent.

Economic Elite, Businesses Profiled

42000082D Bangkok *BANGKOK POST* in English
25 May 90 p 28

[Text] The 18 richest families in Thailand own—either wholly or partly—more than 1,000 companies with a combined registered capital in excess of 100,000 million baht.

According to MONEY & BANKING, the Techapaibuls own, partly or wholly, the most companies or 160 with a combined registered capital of 15,783.94 million baht.

But the Sarasins wholly or partly own companies with the highest combined registered capital or 18,289.21 million baht.

Dhanin Chiaravanonda, leader of the C.P. Group, is apparently the 'most efficient' businessman in the country as he sits on the board of 79 companies, the most among the 18 richest families' leaders.

The main business firms wholly or partly owned by the Techapaibuls include Bangkok Metropolitan Bank, Bank of Asia, Thai-Asahi Glass Co, Kloster Bier (Thailand), Kawasaki Thai Co, Seagram, Donmuang Tollway Co, Wang Petchabun Co, Sura Maharas Co, Thai Overseas Trust Co, Bangkok Metropolitan Trust, Thai Financial Syndicate Co, Central Plaza Co, City Sports Resort,

Central Plaza Hotel Co, Thai Plastic & Chemicals Co, and Nite Spot Entertainment Co.

Leader of the family, Udane Techapaibul is a member of 32 company boards. Among other family members, Vivat is a board member of 26 companies; Sumate 23; Vichien 21; Viroon 20; Vimol 20; Uthai 18; Sathien 18; and Viramitr 18.

The main business firms wholly or partly owned by the Sarasins include the Bangkok Bank, Thai Farmers Bank, Thai Danu Bank, Jardine Matheson (Thailand), Tripetch Isuzu, Nippon Denso (Thailand), Padaeng Industry, Crown Seal, Mah Boonkrong, Rajdamri Arcade, Sura Maharas Co, J.F. Thanakom, Honda Cars, CMIC, Union Asia Finance, Royal Orchid Hotel, Oriental Hotel, Thai Pure Drink, Thai Bridgestone and Thai Insurance Co.

Head of the family Pote Sarasin is a member of 11 company boards of directors, while other leading members of the family include Deputy Prime Minister Pong who sits on 13 company boards; Pol Gen Pao 19; Asa 7; Chris 5; Ken 18; Pornvudh 18 and Col Supatr 10.

Also making it onto the "richest" family list are:

—The Sophonpanichs, who own wholly or partly 130 companies with a combined registered capital of 17,340.15 million baht.

Major business firms of this family include the Bangkok Bank, Bangkok Insurance, Asia Credit, Union Asia Finance, Thai Financial Syndicate, Bangkok First Investment and Trust, Shangri-La Hotel, Capital Securities, Datamat, Bangkok Entertainment and Union Textile.

Leader of the family, Chatri Sophonpanich, is a member of 44 company boards of directors. Other leading figures included Chote, who is a board member of 23 companies; Chan 21; Chai 32 and Choedchu 13.

—The Lamsams own 77 companies with a combined registered capital of 10,990.71 million baht.

Major business firms of the family include Thai Farmers Bank, CMIC, Siam Cement, Rajdamri Hotel, Loxley, Sukhumvit Vejakit, Sura Maharas, Siam Steel and Singer.

Leading members of the family include Bancha Lamsam, who is a board member of 25 companies; Banyong 16; Banthoon 16 and Paorij 26.

—The Karnasutas own 65 companies with a combined registered capital of 2,702.99 million baht.

Major business firms of the family include Donmuang International Airport Hotel, Ital Thai Marine, Italian Thai Development, Royal Orchid Hotel, and Oriental Hotel.

Leader of the family is Dr Chaiyudh Karnasuta, who is a board member of 37 companies. Other prominent members include Premchai who sits on the board of 25 companies and Mana 13.

—The Nimmanhaemindas own 13 companies with a combined registered capital of 1,535.2 million baht.

Major business firms of this family include Bangkok Water Resources, Siam Kraft and Thailand Tantalum Co.

The head of the family is Tarrin Nimmanhaeminda who is on the board of 10 companies.

—The Osathanukrahs own 131 companies with a combined registered capital of 3,281.7 million baht.

Major business firms of the family include Nakornthon Bank, Sanyo Universal Electric, Safety Insurance, General Finance, Bangkok Investment, Teck Heng Yoo, Hilton Hotel and Sermsuk.

Leading figures of the family include Surat Osathanukrah who is a member of four companies; Seri 37; Sawasdi 4 and Surin 16.

—The Chokewattanas own 130 companies with a combined registered capital of 3,401.51 million baht.

Major business companies of this family include New City, Bangkok Rubber, Boutique New City, International Cosmetics, Saha Patanapibul, and Saha Patanapibul Inter Holding.

Leader of the family is Tiem Chokewatana, who is a board member of 18 companies; Boonkiat 41; Boonchai 19 and Narong 30.

—The Phornphrapas own 126 companies with a combined registered capital of 10,020.07 million baht.

Major business companies of the family include Bangkok Bank, Siam Motors, Siam Nissan Diesel Industry, Phornphrapa Finance, Asia Credit, A.P. Honda, Finance One and Honda Motor (Thailand).

Leader of the family is Tavorn Phornphrapa, who is a board member of 18 companies. Other leading members include Khunying Pornthip Narongdej, being board member of 40 companies; Pricha 30 and Chumphon 21.

—The Chiaravanondas own 122 companies with a combined registered capital of 8,805.09 million baht.

Major business firms of the family include Bangkok Agricultural Products, Bangkok Produce, Charoen Phokphand Group, Jia Thai Group, C.P. Group, Minibea Electronics (Thailand) and Siam Fortune.

Leader of the family is Dhanin Chiaravanonda who is a board member of 79 companies. Other leading members of the family include Montri, with a seat on 45 company boards, Wallop 57 and Charan 58.

—The Bhirom-Bhakdis own 61 companies with a combined registered capital of 3,805.87 million baht.

Major business companies of the family include Nakornthon Bank, Siam Commercial Bank, Bangkok Glass, Boon Rawd Brewery, Crown Seal Co, Siam Industry Agriculture, Park Nai Lert Hotel and Wilson Golf Club.

Leader of the family is Prachuab Bhirom-Bhakdi who is a board member of six companies. Other leading members include Piya, a board member of 35 companies; Santi 30, and Chamnong 7.

—The Chirathiwats own 148 companies with a combined registered capital of 5,518.80 million baht.

Major businesses of the family include Siam City Bank, Central Group, Inter Life Insurance and Central Plaza.

Leader of the family is Samrit Chirathiwat with board seats on 42 companies. Other leading members of the family include Wanchai, a board member of 60 companies; Suthikiat 59 and Suthiporn 46.

—The Boonsungs own 64 companies with a combined registered capital of 2,265.57 million baht.

Major businesses of the family include Universal Food, Kah Rae Paisal, Nippon Denso Thailand, Mitsui Gyp Mining, Isuzu Engine (Thailand), Thai Pure Drink, Thailand Tantalum Industry, Thai Auto Sales, Park Nai Lert Hotel, and Thai Bridgestone.

Leader of the family is Prayad Boonsung with 27 board seats.

—The Wanglees own 103 companies with a combined registered capital of 2,895.25 million baht.

Major businesses include Nakornthon Bank, Donmuang International Airport Hotel, Poonpipat, Loxley (Bangkok), Sathorn Thani, General Engineering, Sermasuk and Union Asia Finance.

Leader of the family is Suvit Wanglee with seats on 12 company boards. Other leading figures include Voravee, a board member of five companies; Thamnu 9; Sukit 26 and Suchin 18.

—The Eaurchukiats own 84 companies with a combined registered capital of 6,759.16 million baht.

Major businesses include Bank of Asia, Sura Maharas, Thai Plastic & Chemicals, First Pacific Asia and Asia Thanakit.

Leader of the family is Yos Euachukiat, with seats on 14 companies. Other leading figures include Kiat, a board member of 28 companies; Sak 12 and Vilaipan 21.

—The Srifuengfungs own 83 companies with a combined registered capital of 8,336.45 million baht.

Major businesses include First Bangkok City Bank, Bangkok Metropolitan Bank, Thai-Asahi Glass, Good-year (Thailand), Bangkok Glass, Kiat Thani, Thai Plastic & Chemical, Siam Commercial Life Assurance and Thai Teijin.

Leader of the family is Kiat Srifuengfung with board seats on 34 companies. Other leading members of the family include Boonsong with seats on 36 companies, Chainarong 24 and Chainarin 13.

—The Chansrichawlas own 20 companies with a combined registered capital of 1,638.98 million baht.

Major businesses include Laem Thong Bank, Southeast Asia Fibre, Thai Prasit Insurance, Machinery Equipment, Unico Trading and Siam Vidhya.

Leader of the family is Sura Chansrichawla with seats on four companies. Leading figures include Kurdip with seats on nine company boards and Sukhathep 12.

—The Darakanondas own 66 companies with a combined registered capital of 6,018.25 million baht.

Major businesses include Tanin Union Industry, Uninvest Development, Saha Union Group and Thai TPA.

Leader of the family is Damri Darakanonda with board seats in 56 companies. Other leading members include Sumate with seats in 40 companies and Jongrak 18.

POLITICAL

Problems With Labor Cooperation Discussed

902E0211A Hanoi HANOI MOI in Vietnamese
3 May 90 p 3

[Text] Implementing Directive 73-CT, 13 March 1990, of the Chairman of the Council of Ministers on a number of urgent measures for improving labor cooperation with foreign countries, the Ministry of Labor, War Invalids and Social Welfare recently sent several delegations of responsible cadres to the Soviet Union, the Democratic Republic of Germany, Czechoslovakia, Rumania, and Poland to coordinate with Vietnamese embassies in those countries in examining and implementing solutions on the spot. The delegation to Poland was headed by the director of the Hanoi Labor Service. Correspondents from five newspapers (HANOI MOI was not one) were invited to accompany delegations to the other four countries for periods lasting from two weeks to 45 days.

Through the letters home of those engaged in labor cooperation, letters from distant readers reflecting the concerns of families and a portion of our society, through many discussions with those home on leave, and recently on 3 April, through a meeting of the Ministry of Labor, War Invalids, and Social Welfare with leaders of the Ministry of Information, Culture, Physical Education, Sports, and Tourism; the Department of Ideology and Culture of the Central Committee; and the editors-in-chief of a number of newspapers and radio stations, serious consideration and proposals on the problem are impossible to avoid.

According to information received, Bulgaria is engaged in the redistribution of labor and presently has a surplus of 100,000 unemployed workers. Concerning Vietnamese labor, according to the agreement between the two countries signed many years ago, Vietnam has sent the friends 24,000 people for work in the industrial, construction, etc. sectors. Frankly, with the labor virtues and diligence of Vietnamese, our laborers have effectively contributed in the development of material property for society of friendly countries. This is clearly recognized and affirmed by the friends. Recently, in the 30 March 1990 issue of SU NGHIEP CONG NHAN [Worker Undertaking], an article by Bulgarian author Macgit Tegiradeva posed a series of questions to be answered by Bulgarian public opinion: "Do foreign workers threaten the livelihood of the local people? If Bulgarians were placed under the same conditions as foreign workers and paid the same wages, could enough be found to fill openings occurring in the balance between jobs and the labor force? Another extremely important point for consideration is that not one foreigner working in accordance with the intergovernmental agreement has become a 'briefcase-carrying functionary.' Most of them are welders, construction workers, form installers, concrete workers, whitewashers, painters, metallurgists, shipbuilders, cotton spinners, weavers, and ironworkers. Since many work in the

industrial areas of meat processing and leather work, porcelain clay production and many other trades and fields long suffering from serious worker shortages, would unemployed Bulgarians plunge into these trades for work?" The article's author then made an affirmative statement, "To address this is to fully recognize where the benefit lies!"

Actually, to partially answer these questions, the Labor and Social Work Committee of Bulgaria sent a notice signed by Committee Chairman Gheocgi Nasep to the press of that country that stated, "For more than the past 20 years, the People's Republic of Bulgaria has engaged in labor cooperation with other countries. The basis for this cooperation has been a serious shortage of cadres and workers in many fields of material production; the need to restrict undesirable immigration (referring to the wave of Turkish immigrants—Editor's Note); and originating from the economic interests of Bulgaria!"

That is clear! However, at the present time in Bulgaria, the treatment of Vietnamese laborers has undergone a 180-degree reversal by taking advantage of a number of extremely insignificant mistakes of our workers as a pretext for expulsion from the production line, complete dismissal, or payment of damages of up to 1,800 lev (Bulgarian currency). Moreover, unsavory elements routinely pick quarrels with and ostracize the Vietnamese.

The Vietnamese, endowed with traditions of extreme loyalty to friends and constant obedience to their party and state, make all sorts of concessions to prevent unfortunate occurrences that would adversely affect relations between the two countries.

Here, another problem requiring further discussion is that monthly, the Vietnamese workers are paid in Bulgarian currency and have only one way to use wages earned through the sweat of their labor, by purchasing goods and sending them back to assist their families. Naturally, they must find and buy goods of value and those that are lacking at home, such as western medicines. Since October of last year, these types of medicine have been taxed, initially at a low rate but later gradually increased by about 30 times. Moreover, despite these extremely high prices, Vietnamese laborers must still buy and send the medicines home to assist their families because what else can they buy with the lev? Sadly, now even the shipment of western medicines has been banned. Responsible agencies in Vietnam are intervening to allow the Vietnamese laborers to send the sweat of their labor home to help their families with western medicines but the friends have not yet resolved the matter.

In Czechoslovakia, Vietnamese laborers are not guaranteed security and order, especially since the recent release of 20,000 Czech prisoners. These individuals routinely and groundlessly pick quarrels and often

assault the Vietnamese. Moreover, the local press publishes unfavorable statements about Vietnamese in general and the Vietnamese laborers in particular to create adverse public opinion within their society.

Confronted with this situation, the Vietnamese workers are forced to discuss measures of self-defense such as extreme restrictions on night travel; and moving everywhere in groups or with methods of self-defense.

Recently, according to a telegram from our embassy in Czechoslovakia, the friends have informed us that they have and will institute measures to guarantee the security of Vietnamese workers and affirmed that, "This is not a discriminatory policy of the Czech government. These individuals are bad Czechs and do not represent the Czech people." A number of enterprises have provided vehicles for transporting Vietnamese workers to and from work, and are not using Vietnamese workers in afternoon and evening shifts.

In the Democratic Republic of Germany, the situation appears more stable, although a number of enterprises lack workers. The rights of Vietnamese are not being greatly disrupted. The friends have implemented the agreement between the two countries in a relatively satisfactory manner, providing Vietnamese laborers with the conditions necessary for sending goods home to help their families.

The number of Vietnamese presently engaged in foreign labor cooperation is still about 180,000. In the Democratic Republic of Germany alone, there are about 60,000 and of this number, 3,000 crossed into West Germany and entered refugee camps. Nevertheless, the number of Vietnamese fleeing to West Germany has not increased and West Germany is presently returning them to the Democratic Republic of Germany.

In the Soviet Union, the situation of Vietnamese laborers is stabilizing and gradually improving. After some sudden upheavals, the Soviet people have more clearly recognized that labor cooperation between the two countries is based on equality and mutual benefit and most of all that in a country hosting Vietnamese laborers, fraternalism and comradeship increasingly develop. A few months ago, the mass media had films of disturbances between Vietnamese laborers and Soviet customs workers but this has now been overcome, not completely but better than before. This clearly indicates that although the friends are encountering a great many difficulties: food shortages, unstable employment in many locations, etc., both sides are striving to resolve the situation. The rate of goods shipped home to assist families of Vietnamese laborers has shown progress: during all of last year, only 1,500 shipments (containers) were sent but during the first four months of this year, there were more than 930.

The transfer of 170 laborers from Hanoi to Poland was really too hasty! Although the Ministry of Labor, War Invalids, and Social Welfare did not agree, the Hanoi Labor Service still arranged for a number of individuals

to cooperate with a private Polish firm. As the press stated, there were several reprehensible elements in this matter (even the Hanoi citizen wanted to know what else there was after this bilateral agreement was signed) such as: many provisions of the contract signed between the two parties in which the careless and injured party was Hanoi; even violations to the human dignity of the Vietnamese (requiring the women to undergo an obstetric examination once every three months), etc. With the opposition of Vietnamese workers in Poland, the privately owned firm had to accept the return home of a number of Vietnamese laborers (a few were retained). However, airplane tickets were purchased for only a number, forcing the Hanoi Labor Service to buy tickets for the majority. Clearly, there was something humiliating here that must be clarified for prompt presentation by the press to the public.

Our state decisively states that "labor cooperation with all countries will be continued and expanded requiring the use of our labor but cooperation must achieve economic and social results and follow the principle of benefit and responsibility together. Labor cooperation between our country and the Soviet Union and the countries of Eastern Europe is part of the total economic cooperation between our country and those above" (an excerpt from Directive 73-CT of the Chairman of the Council of Ministers, 13 March 1990).

The citizens of Hanoi, confronted with complex changes in the situation of labor cooperation in a number of countries above, fervently hope that the Ministry of Labor, War Invalids and Social Welfare will closely coordinate with the Ministry of Foreign Affairs and Vietnamese embassies in those countries to successfully handle the situation. In necessary cases, appropriate measures of struggle with reason and feeling must be initiated to protect the rights of Vietnamese laborers and the interests of our state.

MILITARY

M71 Navy Group Protects Southern Sea

902E0209A Hanoi NHAN DAN in Vietnamese
7 May 90 p 3

[By To Hai Nam, Navy Forces]

[Text] When the south was completely liberated and the country was unified, our state was the master of more than 1 million square kilometers of ocean and continental shelf. The great undertaking of exploring for and exploiting oil and gas, and building economic-scientific-service clusters above the southern continental shelf is one of the leading economic sectors of our state. Naval Group M71 directly defends that important economic zone. Defending a vast region, with an area of about 113,400 square nautical miles (210,000 square kilometers), at a time when we are encountering many difficulties and deficiencies with regard to vessels, technical materiel, and the living conditions of personnel

engaged in combat activities in distant ocean areas. The party committee and command, as well as the cadres and men, of Group M71 are profoundly aware that their mission of defending the great undertaking of exploring for and exploiting oil and gas and the economic-technical-service clusters in the special economic area and the southern continental shelf is a heavy responsibility and extremely difficult and arduous, but very glorious many challenges, the cadres and men of the Group are determined to fulfill their glorious mission as well as possible.

Imbued with the teachings of Uncle Ho, the naval personnel, and the cadres and men of Group M71, have effectively defended the great undertaking of exploring for and exploiting oil and gas, and the economic-technical-service clusters. Because they operate in ocean areas more than 300 nautical miles from shore, with very complicated weather and hydrological conditions, many submerged shoals, and constant strong waves and winds, sending ships and personnel to sea is an arduous, difficult undertaking which requires a high degree of courage and sacrifice. The Group has fulfilled the tasks assigned it, such as surveying and fixing the locations of submerged shoals in order to set up research installations and defend the fatherland's sovereignty of its seas, along with the state organs researching weather, hydrology, and the laws of the ocean currents, and the oil-bearing areas under the continental shelf, researching maritime products and special ocean products in the area, etc.

Defending an area of extreme economic and national defense strategic significance to the nation, which is far from shore and continually has strong, complicated waves and winds, etc., exceeds the unit's capabilities.

So that Group M71 can fulfill its present and future missions, the state and armed forces must give it priority, provide equipment, materiel, and vessels, and pay adequate attention to the living conditions and ration standards of the Group's cadres and men.

Hau Giang Naval Self-Defense Group's Activities Cited

902E0209B Hanoi NHAN DAN in Vietnamese
7 May 90 p 3

[Text] Hau Giang is a province with more than 2.6 million people of many ethnic groups: Vietnamese, Khmer, Chinese, etc. Its coastline is 72 kilometers long. There are very large sources of fish and shrimp in Hau Giang's coastal waters. Therefore, the enterprise of contributing to enriching Hau Giang by raising and catching aquatic and maritime products, and defending the coast and coastal waters, has long received special attention from the provincial party committee, people's committee, and functional organs.

In order to further promote the above-mentioned strategic missions, recently, to celebrate 30 April and 19 May the Hau Giang Coastal Self-Defense Naval Group,

directly under the Provincial Export-Import Aquatic Products Fishing Corporation, was officially established.

Comrade Tran Van Duong, director of the Export-Import Aquatic Products Fishing Corporation and commander of the naval group, said that although the corporation has been in business only 10 months, and it has been only six months since the corporation was merged with the Aquatic Products Fishing Enterprise to form a new corporation, the personnel of the self-defense naval group, along with all cadres, workers, and personnel in the unit, have achieved many notable accomplishments. It has caught 2,107 tons of seafood of all kinds, caught and detained 47 foreign fishing vessels which violated Hau Giang's coastal waters, caught and detained a foreign ship smuggling contraband and a ship smuggling marijuana, arrested hundreds of foreign boat captains and sailors who violated the province's sea space, caught and detained a ship illegally leaving the country, etc.

Building on the initial results, the cadres and men of the naval group are determined to brilliantly fulfill all tasks assigned by the provincial party committee and people's committee.

ECONOMIC

Ambassador Tries To Allay Thai Exporters' Concern

42000079C Bangkok THE NATION in English
21 May 90 p 26

[Text] The Vietnamese ambassador to Thailand has tried to allay fears that Vietnam may become Thailand's competitor in rice export and called for cooperation between the two countries in the business.

Ambassador Nguyen Trung claimed that rice farming in Vietnam is reaching saturation point and that the quality of its rice is far poorer to that of Thai grains, making it very unlikely for Vietnamese rice export to be a challenge to Thailand's.

"I don't think Vietnam can in the near future export more than one to 1.5 million tons of rice a year," he told THE NATION, referring to the rice export figures of Vietnam in the past year.

Trung was responding to growing concern among Thai exporters of the threat to Thai rice export posed by Vietnam which they said has been undercutting Thai prices to win the market.

Commerce Minister Subin Pinkayan raised the concern at his meeting with Vietnamese authorities during his visit to Vietnam early this month. Vietnam's Agriculture and Food Industry Minister Nguyen Cong Tan was quoted as accepting in principle the Thai proposal that the two countries cooperate in setting rice export prices.

Officials at the Thai Commerce Ministry said Vietnamese low grade rice sold in the world market this year was priced at U.S.\$40-50 a ton less than Thai rice of the same quality.

Ambassador Trung blamed "third party businessmen" for the price discrepancy. "These businessmen could be exploiting the situation to increase their bargaining power," he said.

He said the businessmen could have asked Vietnam to sell them the rice at a lower rate to undercut the prices of Thai rice.

Most of the Vietnamese rice exports are those of 35 per cent, 25 per cent and 10 per cent grades. The increase in Vietnamese rice production in the past few years was as a result of the country's economic reform.

Ambassador Trung said land suitable for rice farming in Vietnam is limited and it is unlikely for Vietnamese farmers to substantially increase their production.

"It will take Vietnam a long time to really become a rice export competitor," he said.

The envoy, an expert in economic affairs, said the high population growth rate in Vietnam—of 2.2 per cent—will also increase the demand in local rice consumption.

He said Thailand and Vietnam should cooperate in exporting rice.

"At least, rice exporters of the two countries can exchange information and learn about each other's way of doing business," he said.

But Thai rice exporters who accompanied Subin on the Vietnam trip said such cooperation would be difficult.

Thai Bank Plans Office in Ho Chi Minh City

42000079D Bangkok *THE NATION* in English
23 May 90 p 15

[Text] Standard Chartered Bank sees a good future for its planned office in Ho Chi Minh City.

Approval from the Vietnamese authorities has already been secured.

The manager of Standard Chartered Bank Thailand, Tony Rogers, said that with over 50 branches worldwide, including an extensive network in the Asia-Pacific region, the bank has plans to step up its operations in the region.

The proposed representative office in Vietnam will actively promote economic relationships between not only Vietnam and Thailand but between Vietnam and the countries in which Standard Chartered is represented.

Rogers said that after 125 years in Asia, the bank has built up a strong customer base.

Meanwhile, the bank continues to follow developments closely in Burma where it has had a branch in Rangoon for a 100 years prior to its closure in 1964.

Thai Jewellers Look for Business Opportunities

42000079A Bangkok *BANGKOK POST* in English
17 May 90 p 23

[Text] Vietnam is considered a new source of gemstones for Thai jewellers, according to Thai Gem and Jewellery Traders' Association public-relations Chairman Komson Opassathavorn.

Mr Komson said he was offered 200-300 kg (one gramme = five carats) of rubies by Vinagemco, a Vietnamese gemstone authority, during his business trip with Commerce Minister Subin Pinkayan last week.

The rubies were quite good in quality, because most weighed about 10-20 grammes, while their colour was the same as Thai and Burmese rubies.

However, the Vietnamese authority is unable to sell its rubies directly to the association. It has to hold an international ruby auction in Vietnam in the next two months to fetch the highest prices.

"The authority also invited us to participate in the auction," he said.

Thai jewellers face a shortage of raw materials from some suppliers, especially Sri Lanka.

Mr Komson said association members were happy when he told them they would have a new source of raw materials.

The association was approached by the Vietnamese agency to invest in ruby mining and processing in Hoang Lien Son in northern Vietnam.

If the association wants to invest in the project, it has to set up a joint venture with the Vietnamese Government, and the association has to hold no less than 30 percent of registered capital.

"But I think the association and Vietnamese Government are not ready to invest now, because we don't have enough information while the government does not have enough foreign currency to invest," Mr Komson said.

The association was interested in participating in the ruby auction and assign AGD Gems Dealer Co, set up by the association, to take this responsibility.

Invest

AGD Gems Dealer will invest in gemstone mining and processing in Burma soon.

He said the company had increased its registered capital from 20 million baht to 50 million.

"So we have about 50 million baht for the auction," he said.

The association was also offered 10 kg of sapphires, two kg of rubies and 100 kg of amethysts by Saigon Jewellery Co, a Vietnamese state-owned firm.

The association would set up a working group to decide which Vietnamese stones to buy.

Rice Export Trade Cause Concern for Thailand

42000079B Bangkok *THE NATION* in English 21 May 90 p 26

[Text] Vietnam's rice production has become a controversial issue among traders, exporters, government commerce officials and academics, who share a common concern for Thailand's most crucial export.

Many fear that Vietnam could become a bitter rival to Thailand if its rice exports continue to grow. Several outspoken critics of the government's rice policy, including Dr Jermsak Pinthong, economics lecturer at Thammasat University, say that Thailand is caught in panic.

Dr Jermsak wrote a lengthy article in a local daily paper soon after Commerce Minister Subin Pinkayan returned from Hanoi, and criticized the authorities for being paranoid. He said such a short visit, lasting only five days, could not prove anything.

His criticism is regarded as being sound in that it's the first time such a senior commerce delegation had visited Vietnam to witness and assess the impact of the "openness" policy.

But it has to be remembered that a first-hand account of what is happening in the communist country can provide valuable and long-awaited information to those in the rice industry eager for any scrap of detail of how the Vietnamese are developing their industry and markets. Vichai Sriprasert, president of Rice Land Co, a major rice exporter, even spent more time surveying paddy fields in upcountry Vietnam himself.

Nguyen Cong Tan, minister of Agriculture and Food Industry, told his counterpart from Thailand, Commerce Minister Subin, in Hanoi that Vietnam was able to produce 19 million tonnes of rice last year, which far exceeded the Thai Commerce Ministry's projection of only 17 million tonnes. The output was a record high for Vietnam which resumed its status as a rice-exporting country this year.

According to the minister, 10 million families will be able to plant two crops this year with an average yield per rai of 5,320 kilogrammes. The country's rice bowl encompasses four southern provinces around the Mekong Delta.

As they were travelling northward, the Thai delegates noticed that the potential for rice farming was no less there. Farmers have built big and small reservoirs, covering about one third of the farm land, to reserve water needed for two crops.

Paddy fields along the 30 kilometre-long road from the airport to the capital are clustered with staple and cash crops like rice, tobacco, maize and eucalyptus. In a fresh food market in Hanoi, the delegates found plenty of 25 percent low-grade rice being traded at about Bt5 per kilogramme.

Nguyen Cong Tan confirmed that Vietnam mostly exports 35 percent and 25 percent low-grade rice, with a small quantity of top-quality grain. But it is of great interest to improve the quality of the export if the climatic and economic conditions allow, he said.

Vichai explained that the quickly-maturing variety takes only 3 months from planting to harvesting. Because Vietnam wants to achieve self-sufficiency in rice and achieve three crops a year, it is willing to sacrifice quality for quantity.

The government's efforts have borne fruit only in the past two years with Vietnam claiming a surplus of over one million tonnes of rice for export.

The desire to upgrade the rice quality in Vietnam is worth monitoring. The government has expanded farm acreage for prime quality rice and encouraged the setting up of small rice mills. It aims to establish 27 new rice mills this year and 50 additional ones in the next.

It is known that Vietnam has purchased technology and equipment from a Japanese company, Sasako. Moreover, it is believed that SGS Co from Thailand has approached the Vietnamese government to serve as an authorized quality inspector for rice exports.

The southern provinces around the Mekong Delta, particularly in Ho Chi Minh City, have challenged any remaining doubts about Vietnam's ability to produce rice. Many of the Thai delegates agreed that there could be no place more fertile than the farm land enveloping the 70-kilometre route out of Ho Chi Minh City to the Western border near Kampuchea.

One has to admit that Vietnam's irrigation network is highly efficient although the technology may not be up to international standard.

To Vichai, the Mekong River, which spans 4,160 kilometres or 10 times longer than the Chao Prya in the central plain of Thailand, generates massive hydro-power that can feed Vietnam's entire rice bowl. Its strong current blocks seawater from flowing inland, freeing the plain from threats of salinity.

The combination of these factors has brought about extremely low production costs, averaging Bt1,000 per tonne, about half of Thailand's rice production cost. This can be derived from cheap labour, subsidized machinery and fertilizer. A kilogramme of fertilizer costs only Bt3.30 and the daily wage for a worker is about Bt11.

Such a low cost has enabled Vietnam to export rice at a price about U.S.\$40 (Bt1,040) per tonne below Thailand's, according to the Thai Commerce Ministry. In the study, the ministry assumes that as a socialist country, Vietnamese farmers shoulder nearly nothing in the way of costs when they produce rice.

Because of the lack of hard currencies and storage facilities, Vietnam will try every means to sell its rice with speed at the lowest price to attract prospective clients.

Vichai argued that the irrigation system is the decisive factor that determines the production cost. "Our problem is that we fail to provide a sufficient amount of water to farmers, except those in a few central provinces like Ayuthya, Supan Buri, Angthong, Singburi and Chai Nat."

Many may rush to conclude that Vietnam has an edge and now stands shoulder-to-shoulder with Thailand in rice production. Last year, it exported a record 1.4 million tonnes, 14 times higher than the export total of eight years ago.

Vietnam has captured about 11 per cent of the market share while the United States and Thailand hold about 25 per cent and 52 per cent of the market, respectively. During 1990-1992, Vietnam has raised its export target significantly from 2.5 million tonnes this year to 3 million tonnes and 4 million tonnes.

Plan Reported for Fruit Exports, Satellite Station, Fishing Activities

42000080A Bangkok *THE NATION* in English
15 May 90 p 16

[Text] Vietnam is likely to become a strong competitor with Thailand not just in rice exports but in fruit as well, with the lucrative Hong Kong market one of its main targets, a report has claimed.

Having recently exported rice for the first time in many years, Vietnam is poised to develop its fruit market because of its lower prices and advanced technology in packaging, the report compiled by the Foreign Ministry and sent to the Commerce Department said.

A department source said that the report looked into Vietnam's economic performance in 1989 and discovered outstanding growth in agricultural products and fruit. This indicated that the communist country would be able to mount a strong challenge to Thailand's exports.

Vietnam's agricultural industry shares many characteristics of the Thai industry in that it produces a similar variety of vegetables and fruits. But Vietnam has a clear advantage in marketing terms because of its lower cost of production and transportation due to its proximity to the burgeoning market in Hong Kong. The report also indicated Vietnam has made more progress than Thailand in the development of its packaging technology.

Besides its successful re-entry into the international rice market last year with the export of around one million tonnes, the country also enjoyed a major market in Hong Kong for its bananas.

Other major products in 1989 included para rubber. It produced 45,000 tonnes of which 35,000 tonnes was exported. Vietnam this year plans to increase its para rubber production to 48,000 tonnes of which 43,000 tonnes will be exported. Its biggest plantation covers 120,000 hectares in the south.

This year, Vietnam's export-import investment companies plan a substantial increase in the volume of agriculture products shipped to world markets. They are aiming at an additional 500,000 tonnes of rice, 50,000 tonnes of tapioca, 200 tonnes of fresh fruit and 1,000 tonnes of preserved sea food.

Vietnamese officials are also working to overcome export delays caused by a variety of problems at the country's ports as a result of the sudden open-door policy. The Vietnamese government, represented by Transemik-Saigon Company and Ben Nghe Harbour Company, has also joined with PPS Shipping of Singapore to open shipping routes for vessels capable of carrying 150 containers.

The vessels are operating between Ho Chi Minh City and Singapore with services scheduled for every 10 days.

In other areas, the country's National Post-Office and Telecommunications Office is cooperating with Australia's Overseas Telecommunications Co to set up a satellite station to improve international communications.

One Thai investor, keeping a wary eye on trade developments in Vietnam, said that Thailand should take every precaution and keep abreast of the development of the country's open-door policy, even though it is 15 years behind Thailand's development.

Vietnam, with its similar agriculture products and its even lower wages structure, will prove attractive to foreign investors and that could mean that Vietnam's export potential will be greatly revived.

Private fishing firms are awaiting the setting up of a joint venture company between Thailand and Vietnam to handle fishing and related activities so that they do not have to pay fees to other foreign countries for the right to fish in Vietnamese waters.

At present, Thai firms rely on foreign brokers from Cambodia, Singapore, and Hong Kong who hold fishing interests granted by Vietnam. Vietnam has refused to deal directly with Thai private firms due to an agreement reached with Thailand in 1989.

Bhichai Ratakul, former deputy prime minister, signed an umbrella agreement when he led a delegation to Vietnam last November. The agreement calls for Vietnam to cooperate with Thailand through a joint venture company, which is not yet set up.

According to the agreement, the joint venture will be similar to the one set up by Thailand and Burma. The venture will cover all activities related to fishing, including cold storage and canning. Hanoi reportedly informed its local government to refrain from dealing with the Thai private sector, pending the formation of the joint venture company.

As a result, Vietnamese officials have turned down proposals from Thai firms seeking fishing rights in its territories. Vietnam recently also arrested 16 fishing vessels operated by Thepnarong Contrade Co. Three vessels are still being held by Vietnam but they are expected to be released soon.

In addition, Fisheries 1989 Co, owned by Suwat Dejprasert, president of the fishermen's association in Samut Prakarn, has submitted a proposal to Vietnam to operate 20 vessels but there has been no reply yet.

Industry sources said this situation leads other countries, particularly Cambodia, Singapore, and Hong Kong, to sell their fishing rights to Thai companies.

Peasants Comment on Draft Agricultural Tax Law

Nam Bo Peasants Contribute Opinions

902E0208A Hanoi NHAN DAN in Vietnamese
18 Apr 90 p 2

[Article by Nguyen Anh Dung]

[Text] Recently, I had the occasion to go on assignment to a number of southern provinces and met with many peasants and cadres in hamlets and villages. We observed that the peasants of Nam Bo showed concern for the Draft Agricultural Tax Law from the point of view of people who have begun to become familiar with commodity production. Some wanted the collection of taxes in paddy rice to continue, but most approved the tendency of further reducing the in-kind relationship in order to increase fair distribution and exchange in money, which is better, more efficient, and more convenient. Difficulties have been encountered in the payment of agricultural taxes in money in recent years, when the buying, selling, and exporting of rice have been stagnant and have encountered difficulties. That is a difficulty, but we can and certainly will overcome it in the process of unifying the market and opposing economic barriers between the various areas in the country, and expanding and improving the quality of foreign trade activities. As for the paying of taxes in kind, increasing difficulties have been encountered, which has led to shortages, distortions, and waste, and which has been difficult to overcome, especially when the grain sector shifted over to a commercial basis and the producers had the right to select the goods they wanted to buy, but the tax sector and state treasury could not build imposing warehouses and organize the weighing and handling of tax rice. Furthermore, the nature of finance and taxation is a monetary distribution relationship.

With regard to Article 18—"Agricultural taxes will be collected in money at average local market prices"—some people wanted to go even further, i.e., to fix uniform national monetary rates for each category of land. The law differs from the temporary legal documents in that it will be promulgated under the conditions of the nation stabilizing and unifying the value of money, so it is also regarded as stable.

Stipulating uniform monetary tax levels will eliminate the impression that peasants in one area must pay more than those in another area and erase the disparity between reality and phenomena. For example, the tax rate for a hectare of first-class land in the Mekong Delta is 790 kilos of paddy and in the Red River delta it is 740 kilos (50 kilos less), but calculated in terms of money at the current market prices (250-280 dong per kilo in Nam Bo and 400-450 dong per kilo in Bac Bo) the corresponding monetary tax rates for those two regions would be 200,000-220,000 dong and 286,000-350,000 dong respectively.

Article 9 of the draft law stipulates seven yield levels for classifying land (based on the average of the past five years). On the surface, it appears to be scientific and precise. But there is a rather widespread reality at present that must receive consideration. In recent years, because of the prevailing tendency and fear of famine, it was necessary to pursue output and use rice varieties which produced high yields but were of poor quality, were not tasty, and were hard to sell. It moved very slowly on the market and was very difficult to export. Now, many places have changed over to using high-quality varieties of rice which produce tasty rice that is easily sold domestically and exported.

However, their yields are much lower. Therefore, a special characteristic of commodity production is that yield is not the only basis on which to classify land for tax purposes.

Article 13 fixes tax rates on fruit trees and perennial industrial crops at 12 to 16 percent of output (in the lowland and midland areas), which is too high in comparison to the 10 percent tax rate on annual crops. Many people suggested that a rate of 12 percent would be reasonable. In recent years the prices of such products have declined greatly and they are more difficult to sell than in the past. The growing of fruit trees and industrial crops on a commodity production basis, as in Nam Bo, requires considerable investment but is still difficult and is affected by nature, insects, and diseases, so the crop easily fails, and even when there is a good harvest there are sometimes losses because the products cannot be sold in time or transportation expenses are high.

Furthermore, those commodity agricultural products are often raw materials for processing by the industrial sector, so if the tax rates are high the growers will suffer losses or the production costs of the next phase will be increased and there will be no stimulus for expanding the activity of the industrial sector, which is necessary for

the increasingly greater consumption of agricultural products. On a national scale, under the conditions of the garden economy and the VAC model developing extensively and in many ways, as at present, it will be difficult for fruit growers to earn high profits, as in the past.

The general idea of articles 15, 18, and 20 is that the setting up of tax books must be completed in the second month of the tax year (i.e. January on the solar calendar). Taxes are calculated for the whole year, but collections will be concentrated in the principal production season; at the latest, 10 days before collecting taxes the functional organ must send to each tax-paying unit a notification which clearly states the amount of taxes that must be paid, and the place and time they must be paid. Those stipulations have in fact been implemented for some time.

Dong Thap Province usually sets up its tax books earlier than the other provinces in the region. In December 1989 it completed the tax books for 1990 and began to notify the peasant households. As the province harvested rice it endeavored to fulfill its annual agricultural tax obligation by 19 May to celebrate the birthday of President Ho Chi Minh and express the peasants' gratitude to Uncle Ho for calling for agricultural tax exemptions in his Testament.

In An Giang, nine of the 10 units completed their tax books in January and February, and about 95 percent of the annual agricultural taxes were collected during that season. By the beginning of April the cities of Chau Doc and Long Xuyen, and Chau Phu District (led by Binh My village) had collected nearly the full amounts of agricultural taxes.

Kien Giang notified each peasant household and stipulated that during the 10th month and winter-spring seasons of this year the province would collect 80 percent of the total annual taxes, while the remaining 20 percent would be collected during the coming summer-fall season. During the past two months the leadership of the financial sector has held weekly meetings (combined with on-the-spot press conferences) with cadres responsible for agricultural taxes in the districts. The governmental leadership and the press, radio, and TV organs were invited to attend.

During the tax meetings specific data were brought out concerning the harvest situation and the rate of tax collection, including breakdowns of how much tax rice had been delivered to granaries, how much had not yet been delivered, and the amount remaining to be collected.

Therefore, by mid-April the province had essentially completed the harvesting of 45,000 hectares of winter-spring rice and the collection of agricultural taxes had nearly attained the plan norm that had been set.

The practice of collecting taxes in a timely manner, as above, is widespread and is very necessary in Nam Bo

because it is appropriate to the customs and psychology of producers in that area. Therefore, a large number of cadres and peasants recommended the adjustment of land classification in accordance with Decree 61-HDBT, signed 3 January 1990.

It is too late to use it now to readjust tax rates. Doing so would cause a loss of verifiability, could easily cause problems, and the advantages could not make up for the disadvantages. The amount of tax estimated on paper could increase by 14,000 tons of paddy nationwide, but that would complicate many tasks and weaken the emphasis on collecting taxes during the harvest period. The peasants think that the functional sector should "conduct a circus": both reduce taxes in accordance with the Testament of Uncle Ho and find ways to increase them to make up the deficiency. Such a readjustment is very correct and very necessary, and must be completed this year, but it should be applied during the 1991-1995 five-year period.

With regard to Article 25, there were recommendations to replace the sentence "promptly pay the full amount to the budget" to "promptly pay the full amount to the state treasury."

Finally, on that occasion, a large number of people recommended that the state and the Ministry of Finance promptly resolve the irrational stipulation, which has been prolonged too long, regarding the policy toward agricultural tax cadres, which is unsatisfactory. That is a reason why the effectiveness of the agricultural tax task has been limited. In the nation as a whole there are about 9 million peasant households (there are only about 1 million industrial and commercial households). According to the new mechanism, agricultural taxes are calculated for each household. The work of the tax cadres is rather difficult and arduous: they must trod through fields and paddies, and go to remote and distant areas. Although they are also tax cadres, the people doing agricultural tax work do not have uniform allowances, as does the industrial-commercial sector. Agricultural taxes based correctly on current market prices will amount to a considerable sum of money in the total amount collected for the state treasury. That is a very respectable contribution by our peasants and the tax-collection cadres, but the people in the villages only receive half a grain share, equivalent to about 14,300 dong a month. The localities have made many recommendations but the Ministry of Finance has not paid attention to resolving that irrationality.

Peasants Association Holds Conference

902E0208B Hanoi NHAN DAN in Vietnamese
9 May 90 pp 1, 4

[Text] On 7 May, in Ha Son Binh, the central committee of the Vietnam Peasants Association and the Ha Son Binh Peasants Association held a conference to contribute opinions on the Draft Agricultural Tax Law. Representatives of the Vietnam Fatherland Front, the office of the National Assembly, the People's Council,

the Agricultural Department of the CPV Central Committee, the Ministry of Agriculture and Food Industry, the Ministry of Justice, the Ministry of Finance, the Land Management General Department, the National Economic College, and the party committee and people's committee of Ha Son Binh Province, and representatives of the local Peasants Association chapters and peasants in 15 districts and agricultural cooperatives, participated in the conference.

The representatives were of the opinion that drafting the Agricultural Tax Law meets the objective requirements of the great task of renovating the nation and is an important means for the macroeconomic management of the economy, in accord with the aspirations of the peasants. With the announcement of the Draft Agricultural Tax Law there is a more scientific, practical, rational, and concrete basis. However, when approved by the National Assembly and put into effect, the law must meet two requirements: guaranteeing a source income for the treasury from agricultural production and encouraging the peasants to enthusiastically invest capital and labor in production, to create many agricultural commodities. For that reason, many opinions concentrated on such matters as the necessity to distinguish between land use tax and income tax. Agricultural taxes should not be "rolled into one," as called for by the draft law. The stipulation of seven categories of land is rational, but in order to encourage the peasants to practice intensive cultivation, the average total output over a five-year period should not be made the basis for tax calculation, for if the peasants work skillfully, invest, apply scientific-technical advances to production, and increase yields their taxes will be higher. The taxation of the surface areas of rural roads, irrigation ditches, and other service installations is not appropriate. In collecting taxes in money or rice, calculations must be made at the beginning and end of the harvest season, and in each area, for it is related to the market value of rice. When implementing the Agricultural Tax Law, the state must have a policy toward the categories benefitting from the social policy, and be concerned with ensuring social justice between agricultural taxes and industrial-commercial taxes, and between peasants and the other labor categories.

The aspiration of the peasants at present is for the party and state to make more careful preparations and ensure that the new Agricultural Tax Law is drafted on a scientific and practical basis, especially at a time when agricultural production is facing a period of development after two years of implementing "contract 10" and the first year of carrying out tax exemptions for peasants in accordance with the Testament of Uncle Ho. So that the peasants may be at ease, produce enthusiastically, and create many agricultural commodities in order to gradually stabilize the economic-social situation, the Vietnam Peasants Association recommends that the National Assembly delay approving the draft agricultural tax law during the coming session.

Refinery Complex Under Construction in Dong Nai Province

902E0212A Hanoi *QUAN DOI NHAN DAN*
in Vietnamese 6 May 90 pp 1, 4

[By Truong Cong Hoa]

[Text] At the beginning of this year, in an area near the town of Long Thanh, construction was begun on a road 15 kilometers long called Route 25B running from National Route 15 (Bien Hoa-Vung Tau) into the area of Tuy Ha, Long Thanh District, Dong Nai Province, 62 kilometers from Ho Chi Minh City. This event may be considered the initial step in preparations to build the Tuy Ha Refinery Complex—the first industrial refinery area in our country. When completed, many project items of this complex will have changed. However, we are able, through approved technical plans, to visualize the complex as follows:

According to the production projection chart and general projections, plans call for construction of a refinery complex in the area east of Tuy Ha with an annual capacity of 6 million tons of crude oil. There are presently two plans for the production line: Plan one is to construct a production line of 6 million tons annually (with a superficial processing shop of 6 million tons per year). Plan two is to build two production lines, each of 3 million tons per year (with two superficial processing shops, each of 3 million tons per year). The designers are leaning toward plan two in which, during phase two, the second shop will also have deep filtration (crude oil after separation of salt and water through the processing stages, will provide products that are purer than the superficial processing line). Included in the complex will be an oil refinery, petrochemical plant and general projects. Moreover, using entrained gas acquired during oil production, plans are to build a nitrate fertilizer production plant with a daily output of 1,000 to 1,350 tons, located 15 to 17 kilometers from the industrial area.

According to one design plan, crude oil (produced off the Vung Tau-Con Dao coast) will be delivered by pipeline to the complex and into the refinery after treatment in a crude oil treatment station. At the refinery, the oil after processing will produce primary products such as gasoline and kerosene of various types, lubricating oil, paraffin, coke, and bitumen. The petrochemical plant will receive raw materials from the refinery for processing, and will produce such products as sulfanon, synthetic cleansers, polyethylene plastic, polypropylene, flexible synthetics, etc. During the period before the offshore pipeline is constructed, tankers will be used to carry oil to Nha Be Port and the crude oil will be delivered by pipeline to the complex. The refinery complex will produce 4,317,000 tons of products annually. Of this amount, the refinery will have an output of 3,876,000 tons; and the petrochemical plant, 440,300 tons. It is estimated that the number of cadres and workers will reach nearly 14,000.

The Tuy Ha Refinery Complex is being placed in a location with many advantages from the aspects of level ground, project geology, communications and transportation, water sources, etc. In addition, it lies within the general projections for development of Ho Chi Minh City during the next century. The area occupied by the refinery complex is 1,020 hectares with a construction area of 976 hectares and a construction density of 56.4 percent. Besides the refinery and petrochemical plant, the complex will also include a number of general works such as a 400-megawatt thermoelectric plant (equal to the Tri An Hydroelectric Plant); a machinery repair plant; a water supply and waste water external discharge system; an external 31-kilometer railroad system; an external 38-kilometer road system; the Nha Be fuel depot; and Go Dau Port.

Nha Be Port has an oil depot that regularly accepts ships with displacements of 30,000 tons. Go Dau Port has loading and offloading piers constructed of reinforced concrete which, if improved, would be favorable for the offloading of equipment and construction materials, especially exceptionally long and heavy pieces of equipment, the largest of which will be an atmospheric distillation tower, an intact piece of equipment weighing 250 tons that is 56 meters high and 5 meters in diameter.

Construction of the Tuy Ha Refinery complex is being conducted over a broad area (1,020 hectares) with an extremely large amount of work, including equipment assembly and installation, concrete and reinforced concrete pouring, and construction of many support facilities.

According to still incomplete statistics, the present production capabilities of the joint Vietnamese-Soviet petroleum venture are not matched by crude oil delivery and processing capabilities. If complete conditions existed for delivery and processing, the volume of oil produced annually off the Vung Tau-Con Dao coast with only present production equipment would increase.

Our state has officially placed the Tuy Ha Refinery Complex on the list of state-level priority projects. The Ministry of Building has been assigned by the chairman of the Council of Ministers to control investment in the construction industrial area and construction materials industrial area in support of petrochemical industrial area construction investment. Based on the actual capabilities and situation (70 percent of the equipment assembly and installation is in machine assembly), the Ministry of Building has assigned the Vietnam Confederation of Machine Assembly Enterprises as the primary builder of auxiliary projects in conjunction with other units. Joint Machine Assembly Enterprise 45 (which recently completed the machine assembly at Tri An) is joining other units of the construction sector to build housing, level and grade the land, build roads, and carry out other initial steps in constructing the auxiliary area of the Tuy Ha Refinery Complex.

Problems With Fertilizer Distribution Cited

902E0210A Hanoi NONG NGHIEP VIETNAM
in Vietnamese No 16, 19 Apr 90 pp 1, 2

[Article by Thanh Tien]

[Text] The communique of the Eighth Plenum of the Party Central Committee (Sixth Session) emphasized that the mission of our entire party and people at this time is to promote total agricultural renovation. Firm political, economic, and social stabilization is constantly necessary, first of all political stabilization. Only with political stabilization are there conditions for economic and social stabilization and development, gradually alleviating the difficulties and improving the lives of the people, and creating conditions for achieving success in the renovation task.

For more than the past year, material and fertilizer supply has shown much more progress than before. Fertilizer arrives promptly and in sufficient quantities to satisfy producer requirements, significantly contributing to the results of agricultural production, especially grain production.

However, a great unresolved problem at the present time is that local areas are greatly in debt for fertilizer to the General Corporation for Agricultural Materials. This situation will inevitably adversely affect the supply of fertilizer to farmers in the future.

How did these debts occur?

At the beginning of August 1989, our state advocated that the General Corporation for Agricultural Materials sell fertilizer to provinces in accordance with a delayed payment (within three months) formula. Implementing this position, the General Corporation signed fertilizer sales contracts following a plan allowing provinces to promptly support production. Provinces received the fertilizer and signed contracts for sales to districts, also following the formula above, and district level materials corporations sold the fertilizer to farmers. Reprehensibly however, not more than six months later, provinces have not yet repaid the General Corporation for Agricultural Materials so the General Corporation can settle accounts with the state, leading to an extremely large chain of debts. By 31 November 1989, provinces owed the General Corporation up to 93 billion dong! Of this amount, the Kien Giang Grain Corporation owed 2.5 billion dong; the Long An Grain Corporation, 2.1 billion dong; the Phu Yen Agricultural Materials Corporation, 397 million dong; the Ha Nam Ninh Agricultural Materials Corporation, 3.4 billion dong; the Thai Binh Agricultural Materials Corporation, 2.5 billion dong; the Ha Bac Agricultural Materials Corporation, 2.7 billion dong, etc. Recently, a number of provinces made payments but the amounts have been small compared with their debts.

Could it be that local areas have failed to repay their debts because the farmers have not paid for the fertilizer?

We carefully researched this issue in the provinces of Thai Binh and Ha Nam Ninh, two key rice growing provinces in the Red River Delta and also two provinces with large fertilizer debts at the present time.

Efforts were noted by the two provinces to promote fertilizer sales, swiftly recover the capital and repay the General Corporation for Agricultural Materials, and the farmers were able to purchase fertilizer in a fairly favorable manner and at precisely the state price. In Thai Binh, the Provincial Agricultural Materials Corporation opened an additional 22 fertilizer sales points in villages and populated areas, not counting the fertilizer sales points of district agricultural materials corporations. The fertilizer sales points of the province and districts competed with each other. Inquiring about the buying and selling of fertilizer, we learned that since implementation of "contract 10," farmers purchasing fertilizer from the state have repaid in cash or agricultural products immediately with no burdensome debts. At the fertilizer sales point of Thuy Ha Village in Thai Thuy District, Thai Binh Province, we witnessed firsthand Mrs. Do Chien buy 15 kilograms of urea fertilizer. She was short 50 dong and had to borrow money before she could take the fertilizer. In Hai Thanh Cooperative of Hai Hau District in Ha Nam Ninh Province, the chairman informed us that since "contract 10," the cooperative annually buys and punctually pays for about 120 tons of urea fertilizer from the district agricultural materials corporation. Hai Thanh also has a point to sell fertilizer to the farmers in exchange for agricultural products. The sales price of urea fertilizer to farmers at the present time is 560 dong per kilogram (due to expenses and depletion). According to the director, about 80 percent of the Hai Thanh farmers prefer to buy fertilizer and pay immediately. The remainder would also prefer to do the same but lack the conditions for immediate payment and are advanced fertilizer by the cooperative which collects two kilograms of paddy per kilogram of urea at the end of the season. For this advanced fertilizer, the cooperative uses independently acquired or borrowed capital to immediately repay the district agricultural materials corporation.

In our meetings with the leaders of the materials sector at the district, province and central levels, we noticed the general opinion that: our farmers are now extremely punctual in their fertilizer payments. Only state agencies are misappropriating the capital of each other and the farmers have no debts. Clearly district agricultural materials corporations owe provincial corporations; provincial level corporations owe the General Agricultural Materials Corporation and consequently, the General Corporation owes the state.

Why for more than six months have local areas failed to complete their fertilizer payments? Huynh Ky, General Manager of the General Agricultural Materials Corporation, stated that district corporations have informed the provinces that the fertilizer remains stockpiled and unsold in warehouses, and provincial corporations have replied in the same manner. Because the fertilizer has been issued to districts and provinces, the central materials sector has been unable to grasp the situation and must rely on reports from primary level units. The central materials sector is unable to control capital sources or to manage provincial materials agencies; and provinces are the same regarding districts. Relations between districts, provinces and the central government are equitable and follow economic contracts. From this, a situation exists in which districts and provinces buy fertilizer and sell it all but fail to repay the money, using it instead as capital for continued business or to trade in other goods. Is the fertilizer stored in local areas actually from that purchased at sales points permitting delayed payments or is it new fertilizer purchased for business? The General Corporation is unable to ascertain this because each district is a "kingdom!" Even the provincial level corporation is unable to manage and regulate the fertilizer step at the district level because of decentralization to the districts and the fact that a great deal of fertilizer has recently reached districts from different sources. Districts report their fertilizer is not yet sold, ask for more time to pay and receive concurrence. Districts in Thai Binh owe nearly 1 billion dong; and in Ha Nam Ninh, the districts owe more than 2 billion dong.

To reduce its debt, the General Corporation for Agricultural Materials has had no other way than to borrow 88 billion dong from the bank with monthly interest of 5 billion dong to repay the state for fertilizer. This is a heavy and difficult burden on the General Corporation. It creates an extremely adverse effect on the supply of fertilizer by the General Corporation at the present time and in the future.

Recently, the General Corporation for Agricultural Materials temporarily halted the sale of fertilizer to those provinces that have not yet fully repaid their bill. We think such a solution is rational for if all fertilizer has not been sold, why is an additional amount being purchased? We also suggest that the state promptly reorganize the materials sector for unity from the central to the primary level to achieve stronger management and to prevent division of capital sources, creating an adverse effect in many aspects.

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